

ENROLLED HOUSE
BILL NO. 2728

By: Benson, Askins, Beutler, Wells,
Matlock, Covey, Easley, Turner
and Perry of the House

and

Taylor, Hobson, Williams and
Morgan of the Senate

An Act relating to schools; amending 70 O.S. 1991, Section 11-103.6, as amended by Section 1, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Section 11-103.6), which relates to curriculum standards; adding sets of competencies as a requirement for high school graduation; clarifying that listed electives are not limited; deleting diploma of honor requirement; allowing certain additional courses with certain content and rigor; allowing certain courses taught in a certain manner to count toward graduation requirements; adding certain courses; deleting certain courses; adding certain arts requirement; requiring students to complete a certain number of elective courses; requiring school districts to encourage students to complete foreign language units; prohibiting a student from receiving graduation credit for a class taken more than once; requiring school districts to offer a certain number of courses necessary to allow students to graduate; providing certain definitions; directing the State Department of Education to work with school districts on approving certain courses; providing for approval of certain courses; requiring school districts to pay for concurrent enrollment courses only under certain conditions; listing costs to schools; stating legislative intent regarding fees charged for concurrent enrollment courses; allowing courses to be taken in any sequence; allowing credit to be awarded for courses with certain embedded competencies; establishing standard diploma requirements for students on individualized education programs and for students in alternative education; providing for an International Baccalaureate Diploma; allowing district boards of education to issue a certificate of distinction; providing certain qualifications for a certificate of distinction; authorizing the application of certain vocational-technical program courses and advanced placement courses toward qualifications for a certificate of distinction; defining terms; prohibiting colleges and universities from requiring a certificate of distinction for admission; amending Section 4, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Section 6-189.1), which relates to certification requirements for mathematics teachers; providing an implementation date; modifying prohibition for employing mathematics teachers for certain grades; providing an exception for certain period; requiring certain teachers to obtain certification or an endorsement by a certain date; providing criteria for middle level certification; providing criteria for middle level endorsement; allowing for one free test or professional development institute for certain teachers; requiring certain teachers to complete certain test in order to teach certain grades; requiring certain teachers to have certain credit hours in order to teach high school credit courses; providing for certification of certain teachers; establishing criteria for a professional development institute in middle level mathematics; amending Sections 7, 8 and 11, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Sections 3-132, 3-133 and 3-136), which relate to charter schools; clarifying requirements for sponsoring a charter school; requiring charter schools to address graduation requirements in the charter; amending Section 20, Chapter 320, O.S.L. 1999, 70 O.S. 1991, Section 8-103, as last amended by Section 21, Chapter 320, O.S.L. 1999 and Section 23, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Sections 8-101.2, 8-103 and 8-103.2), which relate to the Education Open Transfer Act;

exempting certain student transfers from the Education Open Transfer Act; requiring notification of the parents by a certain date; requiring the parents to notify the school district about enrollment by a certain date; modifying athletic eligibility for certain transfers; amending 70 O.S. 1991, Section 6-114, as last amended by Section 34, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Section 6-114), which relates to disciplinary policy for school districts; modifying school district authority to adopt a dress code; modifying school district authority to adopt a uniform dress code; amending Section 2, Chapter 353, O.S.L. 1992, as amended by Section 1, Chapter 153, O.S.L. 1994, Section 3, Chapter 353, O.S.L. 1992, as last amended by Section 1, Chapter 190, O.S.L. 1999, Section 4, Chapter 353, O.S.L. 1992, as last amended by Section 2, Chapter 190, O.S.L. 1999, Section 5, Chapter 353, O.S.L. 1992, as last amended by Section 3, Chapter 190, O.S.L. 1999 (70 O.S. Supp. 1999, Sections 2602, 2603, 2604 and 2605), which relate to the Oklahoma Higher Learning Access Program; clarifying purpose of the Program; updating certain terms; clarifying how awards are paid; modifying eligibility requirements; changing income eligibility amount; amending Sections 37, 38, 39 and 40, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Sections 2610, 2611, 2612 and 2613), which relate to the Oklahoma Tuition Scholarship Act; updating statutory cites; clarifying purpose of the Scholarship Program; updating certain terms; clarifying how scholarship awards are paid; modifying eligibility criteria; adding certain eligibility criteria; providing an implementation date for the scholarships; providing limitation for certain scholarship award; deleting certain language; amending Section 41, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Section 3953.2), which relates to the Oklahoma Tuition Scholarship Trust Fund; updating certain terms; clarifying how scholarship awards are paid; amending 70 O.S. 1991, Section 3954, as last amended by Section 42, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Section 3954), which relates to the trustee duty of care for the Oklahoma State Regents for Higher Education; adding the Oklahoma Tuition Scholarship Trust Fund to certain reporting requirements; stating legislative intent that certain entities coordinate spring break dates; requiring certain schools to schedule spring break on certain dates; amending Section 56, Chapter 320, O.S.L. 1999, which relates to implementation of certain sections of law; modifying sections of law; repealing Section 1, Chapter 251, O.S.L. 1998, as amended by Section 2, Chapter 320, O.S.L. 1999 and Section 2, Chapter 251, O.S.L. 1998, as amended by Section 3, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Sections 11-103.2c and 11-103.2d), which relate to the diploma of honor; providing for codification; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 70 O.S. 1991, Section 11-103.6, as amended by Section 1, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Section 11-103.6), is amended to read as follows:

Section 11-103.6 A. The State Board of Education shall adopt curricular standards for instruction of students in the public schools of this state that are necessary to ensure there is attainment of desired levels of competencies in a variety of areas to include language, mathematics, science, social studies and communication. All students shall gain literacy at the elementary and secondary levels through a core curriculum. Students must develop skills in reading, writing, speaking, computing and critical thinking. They also must learn about cultures and environments - their own and those of others with whom they share the earth. Students, therefore, must study social studies, literature, languages, the arts, mathematics and science. Such curricula shall provide for the teaching of a hands-on career exploration program in cooperation with vocational-technical education schools. The core curriculum shall be designed to teach the competencies for which students shall be tested as provided in Section 1210.508 of

this title, and shall be designed to prepare all students for employment and/or ~~post secondary~~ postsecondary education.

B. Beginning with the 2002-2003 school year, in order to graduate from a public high school accredited by the State Board of Education with a standard diploma, students shall complete the following core curriculum units or sets of competencies at the secondary level:

1. Language Arts - 4 units or sets of competencies, to consist of 1 unit or set of competencies of grammar and composition, and 3 units ~~from the following language arts electives~~ or sets of competencies which may include, but are not limited to, the following courses: American Literature ~~or~~, English Literature ~~(which are required to qualify for the diploma of honor as provided for in Section 11-103.2 of this title)~~, World Literature, Advanced English Courses, or ~~Speech~~ other English courses with content and/or rigor equal to or above grammar and composition;

2. Mathematics - 3 units or sets of competencies, to consist of 1 unit or set of competencies of Algebra I or Algebra I taught in a contextual methodology, and 2 units ~~from the following mathematics electives~~ or sets of competencies which may include, but are not limited to, the following courses: Algebra II ~~or~~, Geometry ~~(which are required to qualify for the diploma of honor as provided for in Section 11-103.2 of this title)~~ or Geometry taught in a contextual methodology, Trigonometry, Math Analysis or Precalculus, Calculus, Statistics and/or Probability, ~~Mathematics of Finance, Applied Mathematics I and II, or Computer Science, or other mathematics courses with content and/or rigor equal to or above Algebra I.~~ Provided, credit may be granted for Applied Mathematics I and II and Computer Science whether taught at the comprehensive high school or at a vocational-technical school;

3. Science - 3 units or sets of competencies, to consist of 1 unit or set of competencies of Biology I or Biology I taught in a contextual methodology, and 2 units ~~from the following science electives~~ or sets of competencies in the areas of life, physical, or earth science or technology which may include, but are not limited to, the following courses: Chemistry I ~~or~~, Physics ~~(which are required to qualify for the diploma of honor as provided for in Section 11-103.2 of this title)~~, Biology II, Chemistry II, Physical Science, Earth Science, Botany, Zoology, Physiology, Astronomy, ~~or Applied Science (Biology/Chemistry, Physics, and Technology)~~ or the 4th year of agriculture education when taken in the twelfth grade Physics, Principles of Technology, qualified agricultural education courses, or other science courses with content and/or rigor equal to or above Biology I. Provided, credit may be granted for the Applied Science (Biology/Chemistry, Physics, and Principles of Technology) whether taught at the comprehensive high school or at a vocational-technical school; and

4. Social Studies - 3 units or sets of competencies, to consist of 1 unit or set of competencies of United States History, 1/2 to 1 unit or set of competencies of United States Government, 1/2 unit or set of competencies of Oklahoma History, and 1/2 to 1 unit ~~from the following social studies electives~~ or set of competencies which may include, but are not limited to, the following courses: World History ~~(which is required to qualify for the diploma of honor as provided for in Section 11-103.2 of this title)~~, Geography, Economics, Anthropology, ~~Psychology or Sociology~~ or other social studies courses with content and/or rigor equal to or above United States History, United States Government, and Oklahoma History; and

5. Arts - 2 units or sets of competencies which may include, but are not limited to, courses in Visual Arts and General Music.

C. In addition to the 15 units or sets of competencies of core curriculum requirements established in subsection B of this section, in order to graduate from a public high school accredited by the State Board of Education students shall complete any additional course requirements or recommended elective courses as may be established by the State Board of Education and the local school board. School districts shall strongly encourage students to complete two units or sets of competencies of foreign languages.

D. No student shall receive credit for high school graduation more than once for completion of the same unit or set of competencies to satisfy the core curriculum requirements of subsection B.

E. A school district shall not be required to offer every course listed in subsection B of this section, but shall offer sufficient courses to allow a

student to meet the graduation requirements during the secondary grade years of the student.

F. For purposes of this section, ~~a "unit":~~

1. "Contextual methodology" means academic content and skills taught by utilizing real-world problems and projects in a way that helps students understand the application of that knowledge;

2. "Qualified agricultural education courses" means courses that have been determined by the State Board of Education to offer the sets of competencies in the Priority Academic Student Skills (PASS), as adopted by the Board, for one or more science content areas and which correspond to academic science courses. Qualified agricultural education courses shall include, but are not limited to, Horticulture, Plant and Soil Science, Natural Resources and Environmental Science, and Animal Science. The courses shall be taught by teachers certified in agricultural education and comply with all rules of the Oklahoma Department of Vocational and Technical Education;

3. "Rigor" means a level of difficulty that is appropriate for the grade level and that meets state and/or national standards;

4. "Sets of competencies" means those skills and competencies that are specified in the Priority Academic Student Skills (PASS), as adopted by the State Board of Education, subchapter 5, Chapter 15, Title 210 of the Oklahoma Administrative Code, and other skills and competencies adopted by the Board; and

5. "Unit" means a Carnegie Unit as defined by the North Central Association's Commission on Schools.

~~E. G. 1.~~ The State Board of Education shall adopt a plan to ensure that rigor is maintained in the content, teaching methodology, level of expectations for student achievement, and application of learning in all the courses taught to meet the graduation requirements as specified in subsection B of this section.

2. The State Board of Education shall allow as much option at the local district level as is possible without diminishing the rigor or undermining the intent of providing these courses. To accomplish this purpose, the State Department of Education shall work with local school districts in reviewing and approving courses taught by districts that are not specifically listed in subsection B of this section. Local options may include, but shall not be limited to, ~~comparable~~ courses taken by concurrent enrollment ~~or~~, advanced placement, ~~and comparable~~ or correspondence, or courses bearing different titles.

3. If a student enrolls in a concurrent course, the school district shall not be responsible for any costs incurred for that course, unless the school district does not offer enough course selection during the student's secondary grade years to allow the student to receive the courses needed to meet the graduation requirements of subsection B of this section. If the school district does not offer the necessary course selection during the student's secondary grade years, it shall be responsible for the cost of resident tuition at an institution in The Oklahoma State System of Higher Education, fee, and books for the concurrent enrollment course, and providing for transportation to and from the institution to the school site.

It is the intent of the Legislature that for students enrolled in a concurrent enrollment course which is paid for by the school district pursuant to this paragraph, the institution charge only the supplementary and special service fees that are directly related to the concurrent enrollment course and enrollment procedures for that student. It is further the intent of the Legislature that fees for student activities and student service facilities, including the student health care and cultural and recreational service fees, not be charged to such students.

4. Credit for the ~~courses~~ units or sets of competencies required in subsection B of this section shall be given when such ~~courses~~ units or sets of competencies are taken in the seventh or eighth grades if the teachers are certified or authorized pursuant to Section 6-189.1 of this title to teach the ~~courses at the intermediate or secondary level~~ subjects for high school credit and the required ~~course~~ rigor is maintained. All units or sets of competencies required for graduation may be taken in any sequence recommended by the local school district.

~~D- H.~~ As a condition of receiving accreditation from the State Board of Education, all students in grades nine through twelve shall enroll in a minimum of six periods, or the equivalent in block scheduling, of rigorous academic and/or rigorous vocational courses each day, which may include arts, vocal and instrumental music, speech classes, and physical education classes.

~~E- I.~~ Academic and vocational-technical courses designed to offer sets of competencies integrated or embedded within the course that provide for the teaching and learning of the appropriate skills and knowledge in the Priority Academic Student Skills (PASS), as adopted by the State Board of Education, may upon approval of the Board be counted for academic credit and toward meeting the graduation requirements of subsection B of this section. The State Board of Education shall provide an option for high school graduation based upon attainment of the desired levels of competencies as required in tests pursuant to the provisions of Section 1210.508 of this title. Such option shall be in lieu of the amount of course credits earned.

~~F- J.~~ The State Board of Education shall prescribe, adopt and approve a promotion system based on the attainment by students of specified levels of competencies in each area of the core curriculum. ~~Provided, however, that children who have individualized education plans pursuant to the Individuals with Disabilities Education Act (IDEA), P.L. No. 101-476 may be exempted from the requirements of this subsection.~~

K. Children who have individualized education programs pursuant to the Individuals with Disabilities Education Act (IDEA), and who satisfy the graduation requirements through the individualized education program for that student shall be awarded a standard diploma.

L. Students enrolled in an alternative education program who meet the requirements of their plans leading to high school graduation developed pursuant to Section 1210.568 of this title shall be awarded a standard diploma.

M. Any student who completes the curriculum requirements of the International Baccalaureate Diploma Program shall be awarded a standard diploma.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 11-103.6c of Title 70, unless there is created a duplication in numbering, reads as follows:

A. District boards of education may develop and issue a certificate of distinction that is to be awarded to students, beginning with students in the 2000-2001 high school graduating class who have met or exceeded the following criteria by the end of their senior year in high school with at least a 3.25 grade point average on a 4.0 scale:

1. Earned four units each in English, mathematics, social studies, and science;
2. Earned two additional units in the area of technology, the humanities, or the arts;
3. Earned two units in a foreign language; and
4. Achieved a satisfactory score, or its equivalent, on all end-of-instruction tests as required pursuant to Section 1210.508 of Title 70 of the Oklahoma Statutes, as those tests are implemented.

B. For purposes of this section, applicable vocational-technical classes offered by comprehensive high school vocational-technical programs shall qualify for technology, science, and mathematics units. Students enrolled in the programs may use one unit of their six concentrated vocational-technical curriculum units for one unit of mathematics required by this section and one unit of their six concentrated vocational-technical curriculum units for one unit of science required by this section. Advanced placement classes in the subject areas listed in paragraphs 1, 2, and 3 of subsection A of this section may be substituted on a course-by-course basis to satisfy the academic units required for a certificate of distinction.

C. For purposes of this section, "unit" means a Carnegie Unit as defined by the North Central Association's Commission on Schools.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 11-103.6d of Title 70, unless there is created a duplication in numbering, reads as follows:

Colleges and universities shall not make holding a certificate of distinction a part of their admission standards.

SECTION 4. AMENDATORY Section 4, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Section 6-189.1), is amended to read as follows:

Section 6-189.1 ~~Any~~ A. Beginning July 1, 2000, no school district shall employ any teacher ~~employed by a public school~~ to teach mathematics in grades ~~six, seven, or eight~~, unless the teacher is licensed or ~~shall be~~ certified at the ~~intermediate~~ to teach middle or secondary level in mathematics. ~~Any teacher without such certification hired by a school district prior to July 1, 2000, and serving in the school as a mathematics teacher for grades six, seven, or eight, shall be required to obtain certification at the intermediate or secondary level in mathematics on or before the beginning of the 2003-2004 school year. Any teacher teaching mathematics at the sixth-grade level in a school that is accredited by the State Board of Education as a kindergarten through sixth-grade elementary school shall be exempt from the provisions of this section or has received middle level endorsement pursuant to subsection B of this section. A school district may employ a teacher without such a license, certificate, or endorsement until September 1, 2003, if the teacher became licensed or certified to teach prior to September 1, 1999.~~

B. Any teacher who became licensed or certified to teach prior to September 1, 1999, does not have middle or secondary level certification in mathematics, and is serving in a school as a mathematics teacher for grades seven or eight shall be required to obtain middle level certification or middle level endorsement before September 1, 2003. For such teachers, middle level certification or middle level endorsement may be obtained as follows:

1. Middle level mathematics certification - A teacher may obtain middle level certification by successfully completing the appropriate Oklahoma Subject Area Test for middle level mathematics administered by the Oklahoma Commission for Teacher Preparation. The teacher shall not be required to take the Oklahoma Professional Teacher Examination for secondary students administered by the Oklahoma Commission for Teacher Preparation. A teacher granted middle level certification pursuant to this paragraph shall be entitled to teach mathematics in grades seven and eight for high school graduation credit; and

2. Middle level endorsement - A teacher may obtain a middle level endorsement by successfully completing a professional development institute in middle level mathematics developed and administered by the Oklahoma Commission for Teacher Preparation. Any professional development institute developed pursuant to this paragraph shall meet the criteria as established in subsection G of this section. A teacher granted middle level endorsement pursuant to this paragraph shall not be entitled to teach mathematics for high school graduation credit.

C. Any teacher seeking middle level certification or middle level endorsement pursuant to subsection B of this section shall be eligible to take the Oklahoma Subject Area Test in middle level mathematics one time free of charge after July 1, 2000, or participate in a professional development institute in middle level mathematics developed and administered by the Oklahoma Commission for Teacher Preparation one time free of charge after July 1, 2000.

D. A teacher who is granted middle level certification in mathematics, pursuant to subsection B of this section, may teach grade nine only if the teacher successfully completes the Oklahoma Professional Teacher Examination for secondary students.

E. A teacher who is granted middle level endorsement pursuant to subsection B of this section may teach mathematics courses in grades seven or eight for high school credit only if the teacher has completed a minimum of twenty-four college credit semester hours of mathematics as specified by the State Department of Education.

F. Any teacher who became licensed or certified to teach prior to September 1, 1999, did not have middle or secondary level certification in mathematics and successfully completed the appropriate Oklahoma Subject Area Test for middle level mathematics between July 1, 1999, and July 1, 2000, shall be granted a middle level certificate pursuant to subsection B of this section.

G. 1. Any professional development institute in middle level mathematics developed pursuant to this section and administered by the Oklahoma Commission for Teacher Preparation shall:

- a. consist of a minimum of thirty (30) clock hours,
- b. be competency based,
- c. emphasize effective learning practices,
- d. require collaboration among participants, and
- e. require each participant to prepare a work product which can be utilized in the classroom by the participant;

2. Any professional development institute in middle level mathematics developed pursuant to this section and administered by the Oklahoma Commission for Teacher Preparation shall be chosen through a competitive bid process, be reviewed by a professional development committee and other constituencies, and be subject to peer review. Invitations to bid for a professional development institute shall be open to any public or private entity.

SECTION 5. AMENDATORY Section 7, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Section 3-132), is amended to read as follows:

Section 3-132. A. The Oklahoma Charter Schools Act shall apply only to charter schools formed and operated under the provisions of the act. Charter schools shall ~~only~~ be sponsored ~~by~~ only as follows:

1. By a local school district ~~or an area vocational-technical school district in districts~~ with an average daily membership of five thousand (5,000) or more and which all or part of the school district is located in a county having more than five hundred thousand (500,000) population according to the latest federal Decennial Census; or

2. By an area vocational-technical school district only when the charter school is located in a local school district served by the area vocational-technical school district and only if the local school district has an average daily membership of five thousand (5,000) or more and which all or part of the local school district is located in a county having more than five hundred thousand (500,000) population according to the latest federal Decennial Census.

Additional charter schools may be sponsored as provided for in Section ~~8~~ 3-133 of this ~~act~~ title.

Charter schools formed pursuant to the act shall serve as a pilot program to demonstrate the potential of expanding charter schools to other parts of the state. Any charter or enterprise school operating in the state pursuant to an agreement with the board of education of a school district on July 1, 1999, may continue to operate pursuant to that agreement or may contract with the board of education of the school district pursuant to the Oklahoma Charter Schools Act. Nothing in the Oklahoma Charter Schools Act shall prohibit a school district from applying for exemptions from certain education-related statutory requirements as provided for in the Education Deregulation Act.

B. For purposes of the Oklahoma Charter Schools Act, "charter school" means a public school established by contract with a board of education of a school district or an area vocational-technical school district pursuant to the Oklahoma Charter Schools Act to provide learning that will improve student achievement and as defined in the Elementary and Secondary Education Act of 1965, 20 U.S.C. 8065.

C. A charter school may consist of a new school site, new school sites or all or any portion of an existing school site. An entire school district may not become a charter school site.

SECTION 6. AMENDATORY Section 8, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Section 3-133), is amended to read as follows:

Section 3-133. In addition to charter schools sponsored as provided for in subsection A of Section ~~7~~ 3-132 of this ~~act~~ title, charter schools shall ~~only~~ be sponsored ~~by~~ only as follows:

1. By a local school district ~~or an area vocational-technical school district in districts~~ with an average daily membership of five thousand (5,000) or more and which all or part of the school district is located in a county which is contiguous with a county having more than five hundred thousand (500,000) population according the latest federal Decennial Census; ~~provided, no or~~

2. By an area vocational-technical school district only when the charter school is located in a local school district served by the area vocational-technical school district and only if the local school district has an average daily membership of five thousand (5,000) or more and which all or part of the local school district is located in a county which is contiguous with a county having more than five hundred thousand (500,000) population according to the latest federal Decennial Census.

No charter school shall be chartered in School District I029 in County No. 14 and School District I027 in County No. 9.

SECTION 7. AMENDATORY Section 11, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Section 3-136), is amended to read as follows:

Section 3-136. A. A charter school shall adopt a charter which will ensure compliance with the following:

1. A charter school shall comply with all federal regulations and state and local rules and statutes relating to health, safety, civil rights and insurance. By January 1, 2000, the State Department of Education shall prepare a list of relevant rules and statutes which a charter school must comply with as required by this paragraph and shall annually provide an update to the list;

2. A charter school shall be nonsectarian in its programs, admission policies, employment practices, and all other operations. A sponsor may not authorize a charter school or program that is affiliated with a nonpublic sectarian school or religious institution;

3. The charter school shall provide a comprehensive program of instruction for at least a kindergarten program or any grade between grades one and twelve. Instruction may be provided to all persons between the ages of five (5) and twenty-one (21) years. A charter school may offer a curriculum which emphasizes a specific learning philosophy or style or certain subject areas such as mathematics, science, fine arts, performance arts, or foreign language. The charter of a charter school which offers grades nine through twelve shall specifically address whether the charter school will comply with the graduation requirements established in Section 11-103.6 of this title. No charter school shall be chartered for the purpose of offering a curriculum for deaf or blind students that is the same or similar to the curriculum being provided by or for educating deaf or blind students that are being served by the Oklahoma School for the Blind or the Oklahoma School for the Deaf;

4. A charter school shall participate in the testing as required by the Oklahoma School Testing Program Act and the reporting of test results as is required of a school district. A charter school shall also provide any necessary data to the Office of Accountability;

5. Except as provided for in the Oklahoma Charter Schools Act and its charter, a charter school shall be exempt from all statutes and rules relating to schools, boards of education, and school districts;

6. A charter school, to the extent possible, shall be subject to the same reporting requirements, financial audits, audit procedures, and audit requirements as a school district. The State Department of Education or State Auditor and Inspector may conduct financial, program, or compliance audits. A charter school shall use the Oklahoma Cost Accounting System to report financial transactions to the sponsoring school district;

7. A charter school shall comply with all federal and state laws relating to the education of children with disabilities in the same manner as a school district;

8. A charter school shall provide for a governing body for the school which shall be responsible for the policies and operational decisions of the charter school;

9. A charter school shall not be used as a method of generating revenue for students who are being home schooled and are not being educated at an organized charter school site;

10. A charter school may not charge tuition or fees;

11. A charter school shall provide instruction each year for at least the number of days required in Section 1-109 of ~~Title 70 of the Oklahoma Statutes~~ this title;

12. A charter school shall comply with the student suspension requirements provided for in Section 24-101.3 of ~~Title 70 of the Oklahoma Statutes~~ this title;

13. A charter school shall be considered a school district for purposes of tort liability under the Governmental Tort Claims Act;

14. Employees of a charter school may participate as members of the Teachers' Retirement System of Oklahoma in accordance with applicable statutes and rules if otherwise allowed pursuant to law;

15. A charter school may participate in all health and related insurance programs available to the employees of the sponsor of the charter school;

16. A charter school shall comply with the Oklahoma Open Meeting Act and the Oklahoma Open Records Act; and

17. The governing body of a charter school shall be subject to the same conflict of interest requirements as a member of a local school board.

B. The charter of a charter school shall include a description of the personnel policies, personnel qualifications, and method of school governance, and the specific role and duties of the sponsor of the charter school.

C. The charter of a charter school may be amended at the request of the governing body of the charter school and upon the approval of the sponsor.

D. A charter school may enter into contracts and sue and be sued.

E. The governing body of a charter school may not levy taxes or issue bonds.

F. The charter of a charter school shall include a provision specifying the method or methods to be employed for disposing of real and personal property acquired by the charter school upon expiration or termination of the charter or failure of the charter school to continue operations. Any real or personal property purchased with state or local funds shall be retained by the sponsoring school district.

SECTION 8. AMENDATORY Section 20, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Section 8-101.2), is amended to read as follows:

Section 8-101.2 A. On and after January 1, 2000, the transfer of a student from the district in which the student resides to another school district furnishing instruction in the grade the student is entitled to pursue shall be granted if the transfer has the approval of the board of education of the receiving district. A student granted a transfer may continue to attend the school to which the student transferred with the approval of the receiving district only, and any brother or sister of such student may attend such school with the approval of the receiving district only. No student shall be permitted to transfer more than once in any school year.

If the grade a student is entitled to pursue is not offered in the district where the student resides, the transfer shall be automatically approved.

B. When a student has been transferred and later changes residence to another school district in the State of Oklahoma, the student shall be entitled to continue to attend school in the district to which the student was transferred. If a change of residence is to the district to which the student was transferred, upon affidavit of the parent of the student, that district shall become the resident district. If a student changes residence to another district during the school year which is not the same district the student transferred to, the student shall be entitled to attend school in either the receiving district or the new district of residence for the remainder of the current year.

C. Any student transfer approved for any reason prior to ~~the implementation of the Oklahoma Charter Schools Act January 1, 2000~~, shall continue to be valid ~~until this act is fully operational or until~~ and shall not be subject to the Education Open Transfer Act unless the parent having custody chooses otherwise.

SECTION 9. AMENDATORY 70 O.S. 1991, Section 8-103, as last amended by Section 21, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Section 8-103), is amended to read as follows:

Section 8-103. A. In order that any student may be transferred, an application form specified by the State Board of Education must be completed by the parents of the student. For purposes of the Education Open Transfer Act, the term "parent" means the parent of the student or person having custody of the student as provided for in paragraph 1 of subsection A of Section 1-113 of this title. The application shall be obtained from and filed with the superintendent of the receiving school district for transfers to school districts in the State of Oklahoma and with the State Board of Education for transfers to school districts in another state. Applications shall be filed no later than February 1 of the school year preceding the school year for which the transfer is desired. By March 1 of the same school year, the receiving school district shall notify the resident school district that an application for transfer has been filed by a student enrolled in the resident school district. The board of education of the receiving school district shall approve or deny the application for transfer not later than June 1 of the same year and shall notify the parents of the student of the decision. By July 1 of the same year, the parents of the student shall notify the receiving school district that the student will be enrolling in that school district. Failure of parents to notify the district as required may result in loss of the student's right to enroll in the district for that year.

B. On or before ~~June 1~~ August 1, it shall be the duty of the superintendent of the receiving school district to file with the State Board of Education and each resident district a statement showing the names of the students granted transfers to the school district, the resident school district of the transferred students and their respective grade level.

SECTION 10. AMENDATORY Section 23, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Section 8-103.2), is amended to read as follows:

Section 8-103.2 Except as otherwise provided, a student who enrolls, pursuant to the Education Open Transfer Act, in a school district in which the student is not a resident shall not be eligible to participate in school-related extramural athletic competition governed by the Oklahoma Secondary School Activities Association for a period of one (1) year from the first day of attendance at the receiving school unless the transfer is from a school district which does not offer the grade the student is entitled to pursue. If the student is granted an emergency transfer pursuant to Section 8-104 of this title, was granted a transfer for any reason prior to January 1, 2000, or enrolls pursuant to the Education Open Transfer Act and qualifies for a hardship waiver pursuant to the rules of the Oklahoma Secondary School Activities Association, eligibility to participate in school-related extramural athletic competition shall be determined by the Oklahoma Secondary School Activities Association.

SECTION 11. AMENDATORY 70 O.S. 1991, Section 6-114, as last amended by Section 34, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Section 6-114), is amended to read as follows:

Section 6-114. A. Each district board of education shall adopt a policy for the control and discipline of all children attending public school in that district. Such policy shall provide options for the methods of control and discipline of the students and shall define standards of conduct to which students are expected to conform. In developing the policy, the district board of education shall make an effort to involve the teachers, parents, and students affected. The students, teachers, and parents or guardian of every child residing within a school district shall be notified by the district board of education of its adoption of the policy and shall receive a copy upon request. Provided, the teacher of a child attending a public school shall have the same right as a parent or guardian to control and discipline such child according to local policies during the time the child is in attendance or in transit to or from the school or any other school function authorized by the school district or classroom presided over by the teacher.

B. Except concerning students on individualized education plans (IEP) pursuant to the Individuals with Disabilities Education Act (IDEA), P.L. No. 101-

476, the State Board of Education shall not have authority to prescribe student disciplinary policies for school districts or to proscribe corporal punishment in the public schools. The State Board of Education shall not have authority to require school districts to file student disciplinary action reports more often than once each year and shall not use disciplinary action reports in determining a school district's or school site's eligibility for program assistance including competitive grants.

C. ~~The board of education of each school district in this state may adopt shall have the option of adopting a dress code to be incorporated as a part of the discipline policy of the school. Any rules concerning the dress code of a school adopted by the board of education shall have a reasonable connection with the education function entrusted to the board and shall not censure the political opinions of the students or unreasonably interfere with common clothing fads of students. However, nothing in this section shall prevent a school district from instituting a uniform dress code for students enrolled in the school district.~~ The board of education of a school district shall also have the option of adopting a dress code which includes school uniforms.

SECTION 12. AMENDATORY Section 2, Chapter 353, O.S.L. 1992, as amended by Section 1, Chapter 153, O.S.L. 1994 (70 O.S. Supp. 1999, Section 2602), is amended to read as follows:

Section 2602. There is hereby created the Oklahoma Higher Learning Access Program. The purpose of the program is to ~~ensure that~~ provide an award to students who meet the criteria set forth in the Oklahoma Higher Learning Access Act, Section 2601 et seq. of this title, and who are pursuing studies in this state leading to an associate or baccalaureate degree or who are pursuing studies in a postsecondary vocational-technical program or course offered pursuant to a duly approved cooperative agreement between an area vocational-technical school and an institution of The Oklahoma State System of Higher Education, and who are in good academic standing in the institution of higher education or vocational-technical school in which enrolled, ~~are relieved to relieve them~~ of the burden of paying undergraduate general enrollment fees resident tuition at institutions of The Oklahoma State System of Higher Education, are relieved to relieve them of the burden of paying tuition for enrollment in postsecondary programs of the area vocational-technical districts, or are relieved to relieve them of some portion of the burden of paying such fees or tuition, pursuant to the provisions of this act, as may be required of enrollees at private institutions of higher education which are accredited pursuant to Section 4103 of Title 70 of the Oklahoma Statutes. The further purpose of this program is to establish and maintain a variety of support services whereby a broader range of the general student population of this state will be prepared for success in postsecondary endeavors.

SECTION 13. AMENDATORY Section 3, Chapter 353, O.S.L. 1992, as last amended by Section 1, Chapter 190, O.S.L. 1999 (70 O.S. Supp. 1999, Section 2603), is amended to read as follows:

Section 2603. A. To be eligible to participate in the Oklahoma Higher Learning Access Program and to qualify for an award which includes payment of general enrollment fees or an amount equivalent to resident tuition or other tuition pursuant to Section 2604 of this title for the first semester or other academic unit of postsecondary enrollment, a student shall:

1. Be a resident of this state;
2. Have a record of satisfactory compliance with agreements executed pursuant to Section 2605 of this title;
3. Have graduated within the previous three (3) years from a high school accredited by the State Board of Education, or the Oklahoma School of Science and Mathematics with a minimum 2.5 cumulative grade point average on a 4.0 scale for all work attempted in grades nine through twelve;
4. Have ~~satisfied~~ completed the high school curricular requirements ~~adopted by the Oklahoma State Regents for Higher Education and required for students participating in the Oklahoma Higher Learning Access Program~~ for admission to an institution within The Oklahoma State System of Higher Education and one additional unit or set of competencies in a course that meets college admission requirements; provided the curriculum requirements shall include two units or sets of competencies in foreign or non-English language or technology courses that meet the college admission requirements and one unit or set of competencies of a fine arts course. Students shall also have attained a 2.5 grade point average in the

core curriculum courses; provided that students who attended a high school which did not offer all the core curriculum courses shall be allowed to satisfy this requirement by participating in a program approved by the State Regents for remediation of high school curricular deficiencies;

5. Have satisfied admission standards as determined by the Oklahoma State Regents for Higher Education for first-time-entering students for the appropriate type of institution, or, if attending a private institution, have satisfied admission standards as determined by the private institution; provided, no student participating in the Oklahoma Higher Learning Access Program shall be admitted into an institution of higher education by special admission standards;

6. Have secured admission to, and enrolled in, an institution which is a member of The Oklahoma State System of Higher Education, a postsecondary vocational-technical program offered pursuant to a duly approved cooperative agreement between an area vocational-technical school and an institution of The Oklahoma State System of Higher Education, or a private institution of higher learning located within this state and accredited pursuant to Section 4103 of this title; and

7. Have established financial need during the eighth-grade year, ninth-grade year, or tenth-grade year according to the standards and provisions promulgated by the Oklahoma State Regents for Higher Education; a student who satisfies the financial need criteria upon initial participation in the Oklahoma Higher Learning Access Program during the eighth, ninth, or tenth grade shall not later be denied participation in the Oklahoma Higher Learning Access Program on grounds that the student does not meet the financial need criteria.

B. To retain eligibility while pursuing the program of higher learning in which enrolled, the student shall:

1. Maintain good academic standing and satisfactory academic progress according to standards of the Oklahoma State Regents for Higher Education; and

2. Comply with the standards related to maintenance of eligibility as promulgated by the Oklahoma State Regents for Higher Education.

C. The Oklahoma State Regents for Higher Education and the State Board of Vocational and Technical Education shall promulgate rules relating to maintenance of eligibility under this act by a student.

D. It is the intent of the Legislature that students in the ninth grade for the 1992-93 school year who are determined to be eligible Oklahoma Higher Learning Access students pursuant to this act shall be the first students eligible for benefits from the Oklahoma Higher Learning Access Trust Fund.

E. The Oklahoma State Regents for Higher Education are authorized to study, develop and propose criteria for determining students' award eligibility based upon the completion of seven (7) semesters of high school coursework.

SECTION 14. AMENDATORY Section 4, Chapter 353, O.S.L. 1992, as last amended by Section 2, Chapter 190, O.S.L. 1999 (70 O.S. Supp. 1999, Section 2604), is amended to read as follows:

Section 2604. A. Subject to the availability of funds, ~~the general enrollment fees~~ an amount equivalent to the resident tuition for which an eligible Oklahoma Higher Learning Access Program student is obligated at an institution of The Oklahoma State System of Higher Education shall be ~~satisfied~~ awarded by allocation from the Oklahoma Higher Learning Access Trust Fund.

B. Subject to the availability of funds, for each eligible Oklahoma Higher Learning Access Program student enrolled at a private institution of higher learning located within this state and accredited pursuant to Section 4103 of this title, the Oklahoma State Regents for Higher Education shall award from the Oklahoma Higher Learning Access Trust Fund ~~to the institution, on behalf of the student,~~ an amount equivalent to the amount of ~~general enrollment fee~~ resident tuition for which the student would be eligible if the student were enrolled in a comparable program at a comparable institution of The Oklahoma State System of Higher Education. Comparability shall be determined by the State Regents.

C. Subject to the availability of funds, an amount equivalent to the tuition for any eligible Oklahoma Higher Learning Access Program student enrolled in a public postsecondary vocational-technical program or course for the purpose set

forth in Section 2602 of this title shall be ~~satisfied~~ awarded by allocation from the Oklahoma Higher Learning Access Trust Fund. Provided, such allocation shall not exceed the amount a student would have received for comparable enrollment at a two-year institution within The Oklahoma State System of Higher Education.

D. ~~Satisfaction of general enrollment fees~~ An award or tuition allowed by this section shall not be allowed for courses or other postsecondary units taken in excess of the requirements for completion of a baccalaureate program or taken more than five (5) years after the student's first semester of postsecondary enrollment. The Oklahoma State Regents for Higher Education may award the Oklahoma Higher Learning Access Program benefits for courses of postsecondary units taken more than five (5) years after the student's first semester of postsecondary enrollment only in hardship circumstances; provided, however, no Oklahoma Higher Learning Access Program participant may receive benefits beyond a cumulative time period of five (5) years. The Oklahoma State Regents for Higher Education may establish a maximum limit on the number of courses or other postsecondary units to which Oklahoma Higher Learning Access Program benefits will apply. ~~General enrollment fees~~ An award and tuition for eligible Oklahoma Higher Learning Access Program students enrolled in cooperative programs pursuant to agreements between area vocational-technical schools and institutions of The Oklahoma State System of Higher Education shall be satisfied for both vocational-technical and college work in which enrolled pursuant to such cooperative program.

E. Benefits awarded under the Oklahoma Higher Learning Access Program shall be awarded to all eligible applicants without any limitation on the number of awards in any year other than the amount of funds available for the program and the number of eligible applicants. Subject to the provisions of subsection F of this section, if funds are not sufficient to provide awards for all eligible applicants, the Oklahoma State Regents for Higher Education shall make awards on the basis of need. Provided, the Oklahoma State Regents for Higher Education shall take into consideration other grants and scholarships received by an eligible applicant when making awards.

F. The Oklahoma State Regents for Higher Education may, at the time an award is made on behalf of an Oklahoma Higher Learning Access Program student, set aside in the Oklahoma Higher Learning Access Trust Fund funds for the full commitment made to such Higher Learning Access Program student. For all academic years, students who have previously received awards under the provisions of the Oklahoma Higher Learning Access Act, Section 2601 et seq. of this title, and who have continued at all times to fulfill the requirements for eligibility to receive awards provided pursuant to this program shall be given an absolute priority for continued financial support by the Oklahoma Higher Learning Access Program superior to any students who are applying for such benefits for the first time.

SECTION 15. AMENDATORY Section 5, Chapter 353, O.S.L. 1992, as last amended by Section 3, Chapter 190, O.S.L. 1999 (70 O.S. Supp. 1999, Section 2605), is amended to read as follows:

Section 2605. A. Each school year, every fifth- through ninth-grade student in the public schools of this state shall be apprised, together with the student's parent, custodial parent, or guardian, of the student's opportunity for access to higher learning under the Oklahoma Higher Learning Access Program. The Oklahoma State Regents for Higher Education and the State Board of Education shall develop, promote, and coordinate a public awareness program to be utilized in making students and parents aware of the Oklahoma Higher Learning Access Program.

B. On a form provided by the Oklahoma State Regents for Higher Education, every public school district shall designate at least one Oklahoma Higher Learning Access Program contact person, who shall be a counselor or teacher, at each public school site in this state in which eighth-, ninth- or tenth-grade classes are taught. When requested by the State Regents, the State Board of Education shall assist the State Regents to ensure the designation of contact persons.

C. Eighth- and ninth-grade students who qualify on the basis of financial need according to the standards and provisions promulgated by the Oklahoma State Regents for Higher Education shall be given the opportunity throughout the eighth- and ninth-grade years to enter into participation in the program by agreeing to, throughout the remainder of their school years:

1. Attend school regularly and do homework regularly;
2. Refrain from substance abuse;

3. Refrain from commission of crimes or delinquent acts;

4. Have school work and school records reviewed by mentors designated pursuant to the program;

5. Provide information requested by the Oklahoma State Regents for Higher Education or the State Board of Education; and

6. Participate in program activities.

The contact person at the school shall maintain the agreements, which shall be executed on forms provided by the Oklahoma State Regents for Higher Education and managed according to regulations promulgated by the Oklahoma State Regents for Higher Education, and the contact person shall monitor the student's compliance with the terms of the agreement. The Oklahoma State Regents for Higher Education are authorized to process student agreements and verify compliance with the agreements. Students failing to comply with the terms of the agreement shall not be eligible for the awards provided in Section 2604 of this title.

D. A student shall not be found to be in financial need for purposes of the Oklahoma Higher Learning Access Program if the income from taxable and nontaxable sources of the student's parent(s) exceeds ~~Thirty-two Thousand Dollars (\$32,000.00)~~ Fifty Thousand Dollars (\$50,000.00) per year. The student's financial qualification shall be certified by the contact person at the school or by the Oklahoma State Regents for Higher Education on the agreement form provided by the Oklahoma State Regents for Higher Education; the form shall be retained in the student's permanent record and a copy forwarded to the Oklahoma State Regents for Higher Education.

E. Agreements shall be witnessed by the student's parent, custodial parent, or guardian, who shall further agree to:

1. Assist the student in achieving compliance with the agreements;

2. Confer, when requested to do so, with the school contact person, other school personnel, and program mentors;

3. Provide information requested by the Oklahoma State Regents for Higher Education or the State Board of Education; and

4. Assist the student in completing forms and reports required for program participation, making applications to institutions and schools of higher learning, and filing applications for student grants and scholarships.

F. Tenth-grade students who failed to enter into participation in the program during their eighth- or ninth-grade year shall be allowed to enter into participation in the program by entering into agreements as set forth in subsections C and D of this section. Beginning with the 1994-95 school year, students who begin participating in the program during their tenth-grade year shall be eligible for benefits from the Oklahoma Higher Learning Access Trust Fund as provided in Section 2601 et seq. of this title only under the condition that the trust fund balance, excluding any amounts set aside for full commitments to Oklahoma Higher Learning Access Program students pursuant to Section 2604 of this title, exceeds the amount necessary to satisfy awards due on behalf of Oklahoma Higher Learning Access Program students who began participation during the eighth- or ninth-grade year or who have priority as provided in Section 2604 of this title.

G. The Oklahoma State Regents for Higher Education shall promulgate rules for the determination of student compliance with agreements made pursuant to this section.

H. The Oklahoma State Regents for Higher Education shall designate personnel to coordinate tracking of program records for the years when students participating in the program are still in the public schools, provide staff development for contact persons in the public schools, and provide liaison with the State Board of Education and local organizations and individuals participating in the program.

I. The school district where an Oklahoma Higher Learning Access Program student is enrolled when the student begins participation in the program and any subsequent school district where the student enrolls shall forward information

regarding the student's participation in the program to a school to which the student transfers upon the school's request for the student's records.

J. Students participating in the Oklahoma Higher Learning Access Program shall provide their social security number or their student identification number used by their school to the Oklahoma State Regents for Higher Education. The Regents shall keep the numbers confidential and use them only for administrative purposes.

SECTION 16. AMENDATORY Section 37, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Section 2610), is amended to read as follows:

Section 2610. Sections ~~38 through 43~~ 2610 through 2613 of this ~~act title~~ shall be known and may be cited as the "Oklahoma Tuition Scholarship Act".

SECTION 17. AMENDATORY Section 38, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Section 2611), is amended to read as follows:

Section 2611. There is hereby created the Oklahoma Tuition Scholarship Program. The purpose of the ~~Program~~ program is to ~~ensure that provide to~~ students who meet the criteria set forth in the Oklahoma Tuition Scholarship Act ~~and~~, who have ~~completed a college preparatory curriculum upon graduation~~ graduated from high school with a standard diploma, and who are intending to pursue studies at an institution of higher education in The Oklahoma State System of Higher Education or a private institution of higher learning leading to an associate or baccalaureate degree, or are pursuing studies in a postsecondary vocational-technical program or course offered pursuant to a duly approved cooperative agreement between an area vocational-technical school and an institution of The Oklahoma State System of Higher Education, are rewarded by having a scholarship in an amount equivalent to the resident tuition for the first two (2) years of ~~general enrollment fees for~~ enrollment at an institution in The Oklahoma State System of Higher Education paid for by the state.

SECTION 18. AMENDATORY Section 39, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Section 2612), is amended to read as follows:

Section 2612. A. To be eligible to participate in the Oklahoma Tuition Scholarship Program and qualify for ~~payment of general enrollment fees a~~ scholarship pursuant to Section ~~40~~ 2613 of this ~~act title~~, a student shall:

1. Be a resident of this state for a minimum of two (2) calendar years immediately prior to high school graduation. Provided, a student who is a dependent of a member of the armed services stationed in Oklahoma shall be eligible as a resident of the state for purposes of this section as long as the member is stationed in the state in full-time military service and under military orders;

2. Have graduated within the previous three (3) years from a high school accredited by the State Board of Education or the Oklahoma School of Science and Mathematics and have been awarded a standard diploma of honor as provided for in Section ~~11-103.2e~~ 11-103.6 of Title 70 of the Oklahoma Statutes this title;

3. Have ~~obtained a score of 22 or higher on the American College Test a~~ graduate ranking in the top fifteen percent (15%) of the student's high school class and have earned not less than a 3.25 grade-point average on a 4.0 scale;

4. Have ~~a total adjusted gross family~~ attained a score of 26 or higher on the American College Test;

5. Meet the income eligibility level, which is the student's parent(s) income from taxable and nontaxable sources ~~of~~ which shall not be more than Seventy Thousand Dollars (\$70,000.00) per year;

~~5-~~ 6. Have satisfied admission standards as determined by the Oklahoma State Regents for Higher Education for first-time-entering students for the appropriate type of institution or, if attending a private institution of higher learning located within the state and accredited pursuant to Section 4103 of ~~Title 70 of the Oklahoma Statutes~~ this title or a postsecondary vocational-technical program or course offered pursuant to a duly approved cooperative agreement between an area vocational-technical school and an institution of The Oklahoma State System of Higher Education, have satisfied the admission standards for that private institution or vocational-technical program;

~~6-~~ 7. Have secured admission to, and enrolled in, an institution which is a member of The Oklahoma State System of Higher Education, a postsecondary vocational-technical program or course offered pursuant to a duly approved cooperative agreement between an area vocational-technical school and an institution of The Oklahoma State System of Higher Education, or a private institution of higher learning located within this state and accredited pursuant to Section 4103 of ~~Title 70 of the Oklahoma Statutes~~ this title;

~~7-~~ 8. Have made application for state and federal tuition aid programs; and

~~8-~~ 9. Not have been adjudicated as a delinquent for an offense defined in Section 571 of Title 57 of the Oklahoma Statutes as an exception to a nonviolent offense or convicted as an adult of an offense defined in Section 571 of Title 57 of the Oklahoma Statutes as an exception to a nonviolent offense.

B. Payment of scholarships shall begin for eligible students enrolling in a higher learning program who graduate from high school during the 2002-2003 school year and shall continue for eligible students graduating thereafter.

C. To retain eligibility while pursuing the program of higher learning in which enrolled, the student shall:

1. Maintain a minimum 2.75 cumulative grade point average on a 4.0 scale;

2. Maintain good academic standing and satisfactory academic progress according to standards of the Oklahoma State Regents for Higher Education; and

3. Comply with the standards related to maintenance of eligibility as promulgated by the Oklahoma State Regents for Higher Education.

~~E-~~ D. The Oklahoma State Regents for Higher Education shall promulgate rules relating to maintenance of eligibility under the Oklahoma Tuition Scholarship Program by a student.

SECTION 19. AMENDATORY Section 40, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Section 2613), is amended to read as follows:

Section 2613. A. Subject to the availability of funds, ~~the general enrollment fees~~ a scholarship in an amount equivalent to the resident tuition which a student who is eligible under the Oklahoma Tuition Scholarship Act is obligated to pay at an institution in The Oklahoma State System of Higher Education shall be ~~satisfied~~ awarded by allocation from the Oklahoma Tuition Scholarship Trust Fund.

B. Subject to the availability of funds, for students enrolled in a private institution of higher learning located within this state and accredited pursuant to Section 4103 of ~~Title 70 of the Oklahoma Statutes~~ this title, the Oklahoma State Regents shall award ~~to the institution, on behalf of the student, from the Oklahoma Tuition Scholarship Trust Fund,~~ a scholarship in an amount equivalent to the amount of general enrollment fees resident tuition for which the student would be eligible if the student were enrolled in a comparable program at a comparable institution of The Oklahoma State System of Higher Education. Comparability ~~will~~ shall be determined by the State Regents.

C. Subject to the availability of funds, a scholarship in an amount equivalent to the tuition for eligible students enrolled in a postsecondary vocational-technical program or course offered pursuant to a duly approved cooperative agreement between an area vocational-technical school and an institution of The Oklahoma State System of Higher Education shall be ~~satisfied~~ awarded by allocation from the Oklahoma Tuition Scholarship Trust Fund. Provided such allocation shall not exceed the amount a student would have received for payment of two (2) years of resident tuition for comparable enrollment at a two-year institution within The Oklahoma State System of Higher Education.

D. The maximum limit on the number of courses or other postsecondary units for which ~~general enrollment fees or tuition~~ a scholarship will ~~shall~~ be ~~satisfied~~ awarded as provided for by this section shall not exceed sixty (60) credit hours, with not more than thirty (30) credit hours in any one year.

E. No benefits shall be awarded under the Oklahoma Tuition Scholarship Program for ~~payment of general enrollment fees or tuition for~~ remedial courses.

F. Benefits awarded under the Oklahoma Tuition Scholarship Program shall be awarded to all eligible applicants without any limitation on the number of awards in any year other than the amount of funds available for the Program and the number of eligible applicants. If funds are not sufficient to provide awards for all eligible applicants, the Oklahoma State Regents for Higher Education shall make awards on the basis of need. The State Regents shall take into consideration other grants and scholarships received by an eligible applicant when making awards. If an eligible applicant receives state or federal tuition aid which pays for all or part of the ~~general enrollment fee~~ resident tuition obligation of the applicant, the State Regents shall adjust the award to cover only an amount equivalent to the remaining unpaid portion, if any, of the general enrollment fee obligation after the state or federal aid is applied.

SECTION 20. AMENDATORY Section 41, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Section 3953.2), is amended to read as follows:

Section 3953.2 A. There is hereby created a trust fund to be known as the "Oklahoma Tuition Scholarship Trust Fund". The Oklahoma State Regents for Higher Education shall be the trustee of the Trust Fund.

B. The State Regents shall utilize the Trust Fund to implement the provisions of the Oklahoma Tuition Scholarship Act.

C. The Trust Fund principal shall consist of monies the Legislature appropriates or transfers to the Oklahoma State Regents for Higher Education for the Trust Fund and any monies or assets contributed to the Trust Fund from any other source, public or private.

D. Notwithstanding other provisions of law, income and investment return on Trust Fund principal shall accrue to the Trust Fund for use as provided by authorization of the trustees for the purposes provided in the Oklahoma Tuition Scholarship Act. The State Regents may also utilize the Trust Fund principal for purposes provided in the Oklahoma Tuition Scholarship Act. Except as otherwise provided by law, no such income or investment return or principal shall be used for administrative expenses. Expenses incurred by the State Regents in the administration of the Trust Fund and the Oklahoma Tuition Scholarship Program established by the act shall be paid from monies appropriated to the State Regents coordinating board for their general operating budget.

E. The State Regents shall adopt rules for accomplishing transfer of funds from the Oklahoma Tuition Scholarship Trust Fund to the appropriate institutional Education and General Operations Revolving Funds, as established in Section 3901 of Title 70 of the Oklahoma Statutes, to private institutions of higher learning, and to the appropriate vocational-technical school to cover ~~general enrollment fees~~ resident tuition or other tuition for eligible students pursuant to the Oklahoma Tuition Scholarship Act. Allocations from the Trust Fund may be made only for the purpose of covering the ~~general enrollment fees~~ resident tuition or other tuition of eligible students by making scholarship awards in an amount equivalent to two (2) years of resident tuition to eligible students. No portion of the Trust Fund may be used or allocated for administrative or operating expenses of any higher education or vocational-technical institution.

SECTION 21. AMENDATORY 70 O.S. 1991, Section 3954, as last amended by Section 42, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Section 3954), is amended to read as follows:

Section 3954. A. The Oklahoma State Regents for Higher Education shall discharge their duties as trustees of the Oklahoma State Regents' Endowment Trust Fund, as trustees of the Oklahoma State Regents' Academic Scholars Trust Fund, as trustees of the Oklahoma Higher Learning Access Trust Fund, and as trustees of the Oklahoma Tuition Scholarship Trust Fund, hereafter "Trust Funds":

1. With the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;

2. By diversifying the investments of the Trust Funds so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so; and

3. In accordance with the laws, documents and instruments governing the Trust Funds.

B. The State Regents may procure insurance indemnifying the members of the State Regents from personal loss or accountability from liability resulting from a member's action or inaction as a trustee.

C. The State Regents may establish an investment committee for any of the Trust Funds or any combination of such Trust Funds. Such investment committee shall be composed of members of the State Regents appointed by the chairman of the State Regents. The committee shall make recommendations to the entire membership of the State Regents on all matters related to the choice of custodians and managers of the assets of the Trust Funds, on the establishment of investment and fund management guidelines, and in planning future investment policy. The committee shall have no authority to act on behalf of the State Regents in any circumstances whatsoever. No recommendation of the committee shall have effect as an action of the State Regents nor take effect without the approval of the State Regents.

D. The State Regents may retain qualified investment managers to provide for the investment of the monies of the Trust Funds and may pay the fees for the services of such investment managers from the investment proceeds attributable to each of the Trust Funds. The investment managers shall be chosen by a solicitation of proposals on a competitive bid basis pursuant to standards set by the State Regents. Subject to the overall investment guidelines set by the State Regents, the investment managers shall have full discretion in the management of those monies of the Trust Funds allocated to the investment managers. The State Regents shall manage those monies not specifically allocated to the investment managers. The monies of the Trust Funds allocated to the investment managers shall be actively managed by the investment managers, which may include selling investments and realizing losses if such action is considered advantageous to longer term return maximization. Because of the total return objective, no distinction shall be made for management and performance evaluation purposes between realized and unrealized capital gains and losses.

E. Funds and revenues for investment by the investment managers or the State Regents shall be placed with a custodian selected by the State Regents. Payment of the fees for the custodians' services may be paid from the applicable Trust Fund. The custodian shall be a bank or trust company offering pension fund master trustee and master custodial services. The custodian shall be chosen by a solicitation of proposals on a competitive bid basis pursuant to standards set by the State Regents. In compliance with the investment policy guidelines of the State Regents, the custodian bank or trust company shall be contractually responsible for ensuring that all monies of the Trust Funds are invested in income-producing investment vehicles at all times. If a custodian bank or trust company has not received direction from the investment managers of the Trust Funds as to the investment of the monies of the Trust Funds in specific investment vehicles, the custodian bank or trust company shall be contractually responsible to the State Regents for investing the monies in appropriately collateralized short-term interest-bearing investment vehicles.

F. By November 1, 1989, and prior to August 1 of each year thereafter, the State Regents shall develop written investment plans for the Trust Funds.

G. The State Regents shall compile quarterly financial reports of all the funds and accounts of the Oklahoma State Regents' Endowment Trust Fund, the Oklahoma State Regents' Academic Scholars Trust Fund, ~~and~~ the Oklahoma Higher Learning Access Trust Fund, and the Oklahoma Tuition Scholarship Trust Fund on a fiscal year basis. The reports shall include several relevant measures of investment value, including acquisition cost and current fair market value with appropriate summaries of total holdings and returns. The reports shall contain combined and individual rates of returns of the investment managers by category of investment, over periods of time. The reports shall be distributed to the Director of the Legislative Service Bureau and the Chairman of the Joint Committee on Fiscal Operations.

H. After July 1 and before October 1 of each year, the State Regents shall publish three annual reports presented in simple and easily understood language. The reports shall be submitted to the Governor, the Speaker of the House of Representatives, the President Pro Tempore of the Senate, the Director of the Legislative Service Bureau, and the Chairman of the Joint Committee on Fiscal Operations. The annual reports shall cover the operation of the Oklahoma State Regents' Endowment Trust Fund, the Oklahoma State Regents' Academic Scholars Trust Fund, the Oklahoma Higher Learning Access Trust Fund, and the Oklahoma Tuition Scholarship Trust Fund during the past fiscal year, including income,

disbursements, and the financial condition of the Trust Funds at the end of the fiscal year. The annual reports shall also contain the information issued in the quarterly reports required pursuant to subsection G of this section as well as a summary of the results of the most recent actuarial valuation to include total assets, total liabilities, unfunded liability or over-funded status, contributions and any other information deemed relevant by the State Regents.

SECTION 22. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 24-151 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. It is the intent of the Legislature that the State Superintendent of Public Instruction, the Director of the State Department of Vocational and Technical Education, and the Chancellor for Higher Education shall coordinate spring break dates for the public schools, area vocational-technical schools, and institutions within The Oklahoma State System of Higher Education beginning with the 2001-2002 school year.

B. Independent, elementary, and area vocational-technical school districts and institutions within The Oklahoma State System of Higher Education shall schedule spring break dates as determined pursuant to subsection A of this section.

SECTION 23. AMENDATORY Section 56, Chapter 320, O.S.L. 1999, is amended to read as follows:

Section 56. Implementation of Sections ~~37 44~~ through 54 ~~of this act, Chapter 320, O.S.L. 1999~~, shall be delayed until the current expenditure per pupil in average daily attendance in public elementary and secondary schools in unadjusted dollars for the 1998-99 school year or any school year thereafter for Oklahoma as reported by the National Center for Education Statistics annually in the Digest of Education Statistics reaches at least ninety percent (90%) of the regional average expenditure for that same year, and funds are provided. For purposes of this section, the regional average expenditure shall consist of the current expenditure per pupil in average daily attendance in public elementary and secondary schools in unadjusted dollars for each of the following states: Arkansas, Colorado, Kansas, Missouri, New Mexico, Oklahoma, and Texas, averaged together. By January 1 of each year the State Board of Education shall report whether or not the ninety-percent expenditure level has been reached based on information reported annually in the Digest of Education Statistics by the National Center for Education Statistics. Sections ~~37 44~~ through 54 ~~of this act, Chapter 320, O.S.L. 1999~~, shall be implemented on July 1 after the first January 1 report verifies that the ninety-percent expenditure level has been reached and funds have been provided.

SECTION 24. REPEALER Section 1, Chapter 251, O.S.L. 1998, as amended by Section 2, Chapter 320, O.S.L. 1999 and Section 2, Chapter 251, O.S.L. 1998, as amended by Section 3, Chapter 320, O.S.L. 1999 (70 O.S. Supp. 1999, Sections 11-103.2c and 11-103.2d) are hereby repealed.

SECTION 25. This act shall become effective July 1, 2000.

SECTION 26. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the House of Representatives the 17th day of May, 2000.

Speaker of the House of
Representatives

Passed the Senate the 17th day of May, 2000.

President of the Senate