

1 **SENATE FLOOR VERSION**

2 February 26, 2020

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL NO. 212

By: Stanislawski of the Senate

and

Baker of the House

6
7
8 [charter school funding - calculation for full-time
9 virtual charter school funding - calculation of
10 Foundation Aid - providing definition - ~~effective~~
11 ~~date -~~

emergency]

12
13 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

14 SECTION 1. AMENDATORY 70 O.S. 2011, Section 3-142, as
15 last amended by Section 6, Chapter 170, O.S.L. 2015 (70 O.S. Supp.
16 2019, Section 3-142), is amended to read as follows:

17 Section 3-142. A. For purposes of funding, a charter school
18 sponsored by a board of education of a school district shall be
19 considered a site within the school district in which the charter
20 school is located. The student membership of the charter school
21 shall be considered separate from the student membership of the
22 district in which the charter school is located for the purpose of
23 calculating weighted average daily membership pursuant to Section
24 18-201.1 of this title and State Aid pursuant to Section 18-200.1 of

1 this title. For charter schools sponsored by a board of education
2 of a school district, the sum of the separate calculations for the
3 charter school and the school district shall be used to determine
4 the total State Aid allocation for the district in which the charter
5 school is located. A charter school shall receive from the
6 sponsoring school district, the State Aid allocation and any other
7 state-appropriated revenue generated by its students for the
8 applicable year, less up to five percent (5%) of the State Aid
9 allocation, which may be retained by the school district as a fee
10 for administrative services rendered. For charter schools sponsored
11 by the board of education of a technology center school district, a
12 higher education institution, the State Board of Education, or a
13 federally recognized Indian tribe and for statewide virtual charter
14 schools sponsored by the Statewide Virtual Charter School Board, the
15 State Aid allocation for the charter school shall be distributed by
16 the State Board of Education and not more than five percent (5%) of
17 the State Aid allocation may be charged by the sponsor as a fee for
18 administrative services rendered. The State Board of Education
19 shall determine the policy and procedure for making payments to a
20 charter school. The fee for administrative services as authorized
21 in this subsection shall only be assessed on the State Aid
22 allocation amount and shall not be assessed on any other
23 appropriated amounts.

24

1 B. 1. The weighted average daily membership for the first year
2 of operation of a charter school shall be determined initially by
3 multiplying the actual enrollment of students as of August 1 by
4 1.333. The charter school shall receive revenue equal to that which
5 would be generated by the estimated weighted average daily
6 membership calculated pursuant to this paragraph. At midyear, the
7 allocation for the charter school shall be adjusted using the first
8 quarter weighted average daily membership for the charter school
9 calculated pursuant to subsection A of this section.

10 2. For the purpose of calculating weighted average daily
11 membership pursuant to Section 18-201.1 of this title and State Aid
12 pursuant to Section 18-200.1 of this title, the weighted average
13 daily membership for the first year of operation ~~and each year~~
14 ~~thereafter~~ of a full-time statewide virtual charter school sponsored
15 by the Statewide Virtual Charter School Board shall be determined
16 initially by multiplying the actual enrollment of students as of
17 August 1 by 1.333. The full-time virtual charter school shall
18 receive revenue equal to that which would be generated by the
19 estimated weighted average daily membership calculated pursuant to
20 this paragraph. At midyear, the allocation for the full-time
21 statewide virtual charter school shall be adjusted using the first
22 quarter weighted average daily membership for the virtual charter
23 school calculated pursuant to subsection A of this section.

24

1 C. A charter school shall be eligible to receive any other aid,
2 grants or revenues allowed to other schools. A charter school
3 sponsored by the board of education of a technology center school
4 district, a higher education institution, the State Board of
5 Education, or a federally recognized Indian tribe shall be
6 considered a local education agency for purposes of funding. A
7 charter school sponsored by a board of education of a school
8 district shall be considered a local education agency for purposes
9 of federal funding.

10 D. A charter school, in addition to the money received from the
11 state, may receive money from any other source. Any unexpended
12 funds may be reserved and used for future purposes. The governing
13 body of a charter school shall not levy taxes or issue bonds. If
14 otherwise allowed by law, the governing body of a charter school may
15 enter into private contracts for the purposes of borrowing money
16 from lenders. If the governing body of the charter school borrows
17 money, the charter school shall be solely responsible for repaying
18 the debt, and the state or the sponsor shall not in any way be
19 responsible or obligated to repay the debt.

20 E. Any charter school which chooses to lease property shall be
21 eligible to receive current government lease rates.

22 SECTION 2. AMENDATORY 70 O.S. 2011, Section 18-200.1, is
23 amended to read as follows:

24

1 Section 18-200.1. A. Beginning with the ~~1997-98~~ 2020-21 school
2 year, and each school year thereafter, each school district shall
3 have its initial allocation of State Aid calculated based on the
4 state dedicated revenues actually collected during the preceding
5 fiscal year, the adjusted assessed valuation of the preceding year
6 and the highest weighted average daily membership for the school
7 district of the two (2) preceding school years; ~~however, the~~
8 ~~weighted membership of nonresident, transferred pupils enrolled in~~
9 ~~online courses shall be based on the weighted average daily~~
10 ~~membership of the preceding school year.~~ Each school district shall
11 submit the following data based on the first nine (9) weeks, to be
12 used in the calculation of the average daily membership of the
13 school district:

- 14 1. Student enrollment by grade level;
- 15 2. Pupil category counts; and
- 16 3. Transportation supplement data.

17 On or before December 30, the State Department of Education
18 shall determine each school district's current year allocation
19 pursuant to subsection D of this section. The State Department of
20 Education shall complete an audit, using procedures established by
21 the Department, of the student enrollment by grade level data, pupil
22 category counts and transportation supplement data to be used in the
23 State Aid Formula pursuant to subsection D of this section by
24 December 1 and by January 15 shall notify each school district of

1 the district's final State Aid allocation for the current school
2 year. The January payment of State Aid and each subsequent payment
3 for the remainder of the school year shall be based on the final
4 State Aid allocation as calculated in subsection D of this section.
5 Except for reductions made due to the assessment of penalties by the
6 State Department of Education according to law, the January payment
7 of State Aid and each subsequent payment for the remainder of the
8 school year shall not decrease by an amount more than the amount
9 that the current chargeable revenue increases for that district.

10 B. The State Department of Education shall retain not less than
11 one and one-half percent (1 1/2%) of the total funds appropriated
12 for financial support of schools, to be used to make midyear
13 adjustments in State Aid and which shall be reflected in the final
14 allocations. If the amount of appropriated funds, including the one
15 and one-half percent (1 1/2%) retained, remaining after January 1 of
16 each year is not sufficient to fully fund the final allocations, the
17 Department shall recalculate each school district's remaining
18 allocation pursuant to subsection D of this section using the
19 reduced amount of appropriated funds.

20 C. On and after July 1, 1997, the amount of State Aid each
21 district shall receive shall be the sum of the Foundation Aid, the
22 Salary Incentive Aid and the Transportation Supplement, as adjusted
23 pursuant to the provisions of subsection G of this section and
24 Section 18-112.2 of this title; provided, no district having per

1 pupil revenue in excess of three hundred percent (300%) of the
2 average per pupil revenue of all districts shall receive any State
3 Aid or Supplement in State Aid.

4 The July calculation of per pupil revenue shall be determined by
5 dividing the district's second preceding year's total weighted
6 average daily membership (ADM) into the district's second preceding
7 year's total revenues excluding federal revenue, insurance loss
8 payments, reimbursements, recovery of overpayments and refunds,
9 unused reserves, prior expenditures recovered, prior year surpluses,
10 and less the amount of any transfer fees paid in that year.

11 The December calculation of per pupil revenue shall be
12 determined by dividing the district's preceding year's total
13 weighted average daily membership (ADM) into the district's
14 preceding year's total revenues excluding federal revenue, insurance
15 loss payments, reimbursements, recovery of overpayments and refunds,
16 unused reserves, prior expenditures recovered, prior year surpluses,
17 and less the amount of any transfer fees paid in that year.

18 D. For the 1997-98 school year, and each school year
19 thereafter, Foundation Aid, the Transportation Supplement and Salary
20 Incentive Aid shall be calculated as follows:

21 1. Foundation Aid shall be determined by subtracting the amount
22 of the Foundation Program Income from the cost of the Foundation
23 Program and adding to this difference the Transportation Supplement.

24

1 a. The Foundation Program shall be a district's highest
2 weighted average daily membership based on the first
3 nine (9) weeks of the current school year, the
4 preceding school year or the second preceding school
5 year of a school district, as determined by the
6 provisions of subsection A of Section 18-201.1 of this
7 title and paragraphs 1, 2, 3 and 4 of subsection B of
8 Section 18-201.1 of this title, multiplied by the Base
9 Foundation Support Level. ~~However, for the portion of~~
10 ~~weighted membership derived from nonresident,~~
11 ~~transferred pupils enrolled in online courses, the~~
12 ~~Foundation Program shall be a district's weighted~~
13 ~~average daily membership of the preceding school year~~
14 ~~or the first nine (9) weeks of the current school~~
15 ~~year, whichever is greater, as determined by the~~
16 ~~provisions of subsection A of Section 18-201.1 of this~~
17 ~~title and paragraphs 1, 2, 3 and 4 of subsection B of~~
18 ~~Section 18-201.1 of this title, multiplied by the Base~~
19 ~~Foundation Support Level.~~

20 b. The Foundation Program Income shall be the sum of the
21 following:

- 22 (1) The adjusted assessed valuation of the current
23 school year of the school district, minus the
24 previous year protested ad valorem tax revenues

1 held as prescribed in Section 2884 of Title 68 of
2 the Oklahoma Statutes, multiplied by the mills
3 levied pursuant to subsection (c) of Section 9 of
4 Article X of the Oklahoma Constitution, if
5 applicable, as adjusted in subsection (c) of
6 Section 8A of Article X of the Oklahoma
7 Constitution. For purposes of this subsection,
8 the "adjusted assessed valuation of the current
9 school year" shall be the adjusted assessed
10 valuation on which tax revenues are collected
11 during the current school year, and

12 (2) Seventy-five percent (75%) of the amount received
13 by the school district from the proceeds of the
14 county levy during the preceding fiscal year, as
15 levied pursuant to subsection (b) of Section 9 of
16 Article X of the Oklahoma Constitution, and

17 (3) Motor Vehicle Collections, and

18 (4) Gross Production Tax, and

19 (5) State Apportionment, and

20 (6) R.E.A. Tax.

21 The items listed in divisions (3), (4), (5), and (6)
22 of this subparagraph shall consist of the amounts
23 actually collected from such sources during the
24 preceding fiscal year calculated on a per capita basis

1 on the unit provided for by law for the distribution
2 of each such revenue.

3 2. The Transportation Supplement shall be equal to the average
4 daily haul times the per capita allowance times the appropriate
5 transportation factor.

6 a. The average daily haul shall be the number of children
7 in a district who are legally transported and who live
8 one and one-half (1 1/2) miles or more from school.

9 b. The per capita allowance shall be determined using the
10 following chart:

	PER CAPITA		PER CAPITA
DENSITY FIGURE	ALLOWANCE	DENSITY FIGURE	ALLOWANCE
.3000 - .3083	\$167.00	.9334 - .9599	\$99.00
.3084 - .3249	\$165.00	.9600 - .9866	\$97.00
.3250 - .3416	\$163.00	.9867 - 1.1071	\$95.00
.3417 - .3583	\$161.00	1.1072 - 1.3214	\$92.00
.3584 - .3749	\$158.00	1.3215 - 1.5357	\$90.00
.3750 - .3916	\$156.00	1.5358 - 1.7499	\$88.00
.3917 - .4083	\$154.00	1.7500 - 1.9642	\$86.00
.4084 - .4249	\$152.00	1.9643 - 2.1785	\$84.00
.4250 - .4416	\$150.00	2.1786 - 2.3928	\$81.00
.4417 - .4583	\$147.00	2.3929 - 2.6249	\$79.00
.4584 - .4749	\$145.00	2.6250 - 2.8749	\$77.00
.4750 - .4916	\$143.00	2.8750 - 3.1249	\$75.00

1	.4917 - .5083	\$141.00	3.1250 - 3.3749	\$73.00
2	.5084 - .5249	\$139.00	3.3750 - 3.6666	\$70.00
3	.5250 - .5416	\$136.00	3.6667 - 3.9999	\$68.00
4	.5417 - .5583	\$134.00	4.0000 - 4.3333	\$66.00
5	.5584 - .5749	\$132.00	4.3334 - 4.6666	\$64.00
6	.5750 - .5916	\$130.00	4.6667 - 4.9999	\$62.00
7	.5917 - .6133	\$128.00	5.0000 - 5.5000	\$59.00
8	.6134 - .6399	\$125.00	5.5001 - 6.0000	\$57.00
9	.6400 - .6666	\$123.00	6.0001 - 6.5000	\$55.00
10	.6667 - .6933	\$121.00	6.5001 - 7.0000	\$53.00
11	.6934 - .7199	\$119.00	7.0001 - 7.3333	\$51.00
12	.7200 - .7466	\$117.00	7.3334 - 7.6667	\$48.00
13	.7467 - .7733	\$114.00	7.6668 - 8.0000	\$46.00
14	.7734 - .7999	\$112.00	8.0001 - 8.3333	\$44.00
15	.8000 - .8266	\$110.00	8.3334 - 8.6667	\$42.00
16	.8267 - .8533	\$108.00	8.6668 - 9.0000	\$40.00
17	.8534 - .8799	\$106.00	9.0001 - 9.3333	\$37.00
18	.8800 - .9066	\$103.00	9.3334 - 9.6667	\$35.00
19	.9067 - .9333	\$101.00	9.6668 or more	\$33.00

20 c. The formula transportation factor shall be 1.39.

21 3. Salary Incentive Aid shall be determined as follows:

22 a. Multiply the Incentive Aid guarantee by the district's
23 highest weighted average daily membership based on the
24 first nine (9) weeks of the current school year, the

1 preceding school year or the second preceding school
2 year of a school district, as determined by the
3 provisions of subsection A of Section 18-201.1 of this
4 title and paragraphs 1, 2, 3 and 4 of subsection B of
5 Section 18-201.1 of this title.

6 b. Divide the district's adjusted assessed valuation of
7 the current school year minus the previous year's
8 protested ad valorem tax revenues held as prescribed
9 in Section 2884 of Title 68 of the Oklahoma Statutes,
10 by one thousand (1,000) and subtract the quotient from
11 the product of subparagraph a of this paragraph. The
12 remainder shall not be less than zero (0).

13 c. Multiply the number of mills levied for general fund
14 purposes above the fifteen (15) mills required to
15 support Foundation Aid pursuant to division (1) of
16 subparagraph b of paragraph 1 of this subsection, not
17 including the county four-mill levy, by the remainder
18 of subparagraph b of this paragraph. The product
19 shall be the Salary Incentive Aid of the district.

20 E. By June 30, 1998, the State Department of Education shall
21 develop and the Department and all school districts shall have
22 implemented a student identification system which is consistent with
23 the provisions of subsections C and D of Section 3111 of Title 74 of
24 the Oklahoma Statutes. The student identification system shall be

1 used specifically for the purpose of reporting enrollment data by
2 school sites and by school districts, the administration of the
3 Oklahoma School Testing Program Act, the collection of appropriate
4 and necessary data pursuant to the Oklahoma Educational Indicators
5 Program, determining student enrollment, establishing a student
6 mobility rate, allocation of the State Aid Formula and mid-year
7 adjustments in funding for student growth. This enrollment data
8 shall be submitted to the State Department of Education in
9 accordance with rules promulgated by the State Board of Education.
10 Funding for the development, implementation, personnel training and
11 maintenance of the student identification system shall be set out in
12 a separate line item in the allocation section of the appropriation
13 bill for the State Board of Education for each year.

14 F. 1. In the event that ad valorem taxes of a school district
15 are determined to be uncollectible because of bankruptcy, clerical
16 error, or a successful tax protest, and the amount of such taxes
17 deemed uncollectible exceeds Fifty Thousand Dollars (\$50,000.00) or
18 an amount greater than twenty-five percent (25%) of ad valorem taxes
19 per tax year, or the valuation of a district is lowered by order of
20 the State Board of Equalization, the school district's State Aid,
21 for the school year that such ad valorem taxes are calculated in the
22 State Aid Formula, shall be determined by subtracting the net
23 assessed valuation of the property upon which taxes were deemed
24 uncollectible from the assessed valuation of the school district and

1 the state. Upon request of the local board of education, it shall
2 be the duty of the county assessor to certify to the Director of
3 Finance of the State Department of Education the net assessed
4 valuation of the property upon which taxes were determined
5 uncollectible.

6 2. In the event that the amount of funds a school district
7 receives for reimbursement from the Ad Valorem Reimbursement Fund is
8 less than the amount of funds claimed for reimbursement by the
9 school district due to insufficiency of funds as provided in Section
10 193 of Title 62 of the Oklahoma Statutes, then the school district's
11 assessed valuation for the school year that such ad valorem
12 reimbursement is calculated in the State Aid Formula shall be
13 adjusted accordingly.

14 G. 1. Notwithstanding the provisions of Section 18-112.2 of
15 this title, a school district shall have its State Aid reduced by an
16 amount equal to the amount of carryover in the general fund of the
17 district as of June 30 of the preceding fiscal year, that is in
18 excess of the following standards for two (2) consecutive years:

19	Total Amount of	Amount of
20	General Fund Collections,	General Fund
21	Excluding Previous Year	Balance
22	Cash Surplus as of June 30	Allowable
23	Less than \$1,000,000	40%
24	\$1,000,000 - \$2,999,999	35%

1	\$3,000,000 - \$3,999,999	30%
2	\$4,000,000 - \$4,999,999	25%
3	\$5,000,000 - \$5,999,999	20%
4	\$6,000,000 - \$7,999,999	18%
5	\$8,000,000 - \$9,999,999	16%
6	\$10,000,000 or more	14%

7 2. By February 1 the State Department of Education shall send
8 by certified mail, with return receipt requested, to each School
9 District Superintendent, Auditor and Regional Accreditation Officer
10 a notice of and calculation sheet reflecting the general fund
11 balance penalty to be assessed against that school district.
12 Calculation of the general fund balance penalty shall not include
13 federal revenue. Within thirty (30) days of receipt of this written
14 notice the school district shall submit to the Department a written
15 reply either accepting or protesting the penalty to be assessed
16 against the district. If protesting, the school district shall
17 submit with its reply the reasons for rejecting the calculations and
18 documentation supporting those reasons. The Department shall review
19 all school district penalty protest documentation and notify each
20 district by March 15 of its finding and the final penalty to be
21 assessed to each district. General fund balance penalties shall be
22 assessed to all school districts by April 1.

23 3. Any school district which receives proceeds from a tax
24 settlement or a Federal Emergency Management Agency settlement

1 during the last two (2) months of the preceding fiscal year shall be
2 exempt from the penalties assessed in this subsection, if the
3 penalty would occur solely as a result of receiving funds from the
4 tax settlement.

5 4. Any school district which receives an increase in State Aid
6 because of a change in Foundation and/or Salary Incentive Aid
7 factors during the last two (2) months of the preceding fiscal year
8 shall be exempt from the penalties assessed in this subsection, if
9 the penalty would occur solely as a result of receiving funds from
10 the increase in State Aid.

11 5. If a school district does not receive Foundation and/or
12 Salary Incentive Aid during the preceding fiscal year, the State
13 Board of Education may waive the penalty assessed in this subsection
14 if the penalty would result in a loss of more than forty percent
15 (40%) of the remaining State Aid to be allocated to the school
16 district between April 1 and the remainder of the school year and if
17 the Board determines the penalty will cause the school district not
18 to meet remaining financial obligations.

19 6. Any school district which receives gross production revenue
20 apportionment during the 2002-2003 school year or in any subsequent
21 school year that is greater than the gross production revenue
22 apportionment of the preceding school year shall be exempt from the
23 penalty assessed in this subsection, if the penalty would occur
24

1 solely as a result of the gross production revenue apportionment, as
2 determined by the State Board of Education.

3 7. Beginning July 1, 2003, school districts that participate in
4 consolidation or annexation pursuant to the provisions of the
5 Oklahoma School Voluntary Consolidation and Annexation Act shall be
6 exempt from the penalty assessed in this subsection for the school
7 year in which the consolidation or annexation occurs and for the
8 next three (3) fiscal years.

9 8. Any school district which receives proceeds from a sales tax
10 levied by a municipality pursuant to Section 22-159 of Title 11 of
11 the Oklahoma Statutes or proceeds from a sales tax levied by a
12 county pursuant to Section 1370 of Title 68 of the Oklahoma Statutes
13 during the 2003-2004 school year or the 2004-2005 school year shall
14 be exempt from the penalties assessed in this subsection, if the
15 penalty would occur solely as a result of receiving funds from the
16 sales tax levy.

17 9. For purposes of calculating the general fund balance
18 penalty, the terms "carryover" and "general fund balance" shall not
19 include federal revenue.

20 H. In order to provide startup funds for the implementation of
21 early childhood programs, State Aid may be advanced to school
22 districts that initially start early childhood instruction at a
23 school site. School districts that desire such advanced funding
24 shall make application to the State Department of Education no later

1 than September 15 of each year and advanced funding shall be awarded
2 to the approved districts no later than October 30. The advanced
3 funding shall not exceed the per pupil amount of State Aid as
4 calculated in subsection D of this section per anticipated Head
5 Start eligible student. The total amount of advanced funding shall
6 be proportionately reduced from the monthly payments of the
7 district's State Aid payments during the last six (6) months of the
8 same fiscal year.

9 I. 1. Beginning July 1, 1996, the Oklahoma Tax Commission,
10 notwithstanding any provision of law to the contrary, shall report
11 monthly to the State Department of Education the monthly
12 apportionment of the following information:

- 13 a. the assessed valuation of property,
- 14 b. motor vehicle collections,
- 15 c. R.E.A. tax collected, and
- 16 d. gross productions tax collected.

17 2. Beginning July 1, 1997, the State Auditor and Inspector's
18 Office, notwithstanding any provision of law to the contrary, shall
19 report monthly to the State Department of Education the monthly
20 apportionment of the proceeds of the county levy.

21 3. Beginning July 1, 1996, the Commissioners of the Land
22 Office, notwithstanding any provision of law to the contrary, shall
23 report monthly to the State Department of Education the monthly
24 apportionment of state apportionment.

1 4. Beginning July 1, 1997, the county treasurers' offices,
2 notwithstanding any provision of law to the contrary, shall report
3 monthly to the State Department of Education the ad valorem tax
4 protest amounts for each county.

5 5. The information reported by the Tax Commission, the State
6 Auditor and Inspector's Office, the county treasurers' offices and
7 the Commissioners of the Land Office, pursuant to this subsection
8 shall be reported by school district on forms developed by the State
9 Department of Education.

10 SECTION 3. AMENDATORY 70 O.S. 2011, Section 18-201.1, as
11 amended by Section 2, Chapter 228, O.S.L. 2018 (70 O.S. Supp. 2019,
12 Section 18-201.1), is amended to read as follows:

13 Section 18-201.1. A. Beginning with the ~~1997-98~~ 2020-21 school
14 year, and each school year thereafter, the weighted membership of a
15 school district for calculation of Foundation Aid purposes pursuant
16 to paragraph 1 of subsection D of Section 18-200.1 of this title
17 shall be the sum of the weighted pupil grade level calculation, the
18 weighted pupil category calculation, the weighted district
19 calculation and the weighted teacher experience and degree
20 calculation. The weighted membership of a school district for
21 calculation of Salary Incentive Aid purposes pursuant to paragraph 3
22 of subsection D of Section 18-200.1 of this title shall be the sum
23 of the weighted pupil grade level calculation, the weighted pupil
24

1 category calculation, the weighted district calculation and the
2 weighted teacher experience and degree calculation.

3 B. The weighted calculations provided for in subsection A of
4 this section shall be based on the highest weighted average daily
5 membership of the first nine (9) weeks of the current school year,
6 the preceding school year or the second preceding school year of a
7 school district, unless otherwise specified. The highest of the
8 three (3) weighted average daily memberships shall be used
9 consistently in all of the calculations; however, ~~the portion of~~
10 ~~weighted membership derived from nonresident, transferred pupils~~
11 ~~enrolled in online courses shall be based on the weighted average~~
12 ~~daily membership of the first nine (9) weeks of the current school~~
13 year the weighted calculation for a statewide virtual charter school
14 experiencing a significant decline in membership shall be based on
15 the first nine (9) weeks of the current school year and not on the
16 preceding school year or the second preceding school year for the
17 statewide virtual charter school. For purposes of this subsection,
18 "significant decline in membership" means equal to or greater than a
19 fifteen percent (15%) decrease in average daily membership from the
20 preceding school year to the average daily membership of the first
21 nine (9) weeks of the current school year. The average daily
22 membership data used for all calculations in paragraphs 1, 2, 3 and
23 4 of this subsection shall be the same as used in the calculation of
24

1 the State Aid Formula. The weighted calculations provided for in
2 subsection A of this section shall be determined as follows:

3 1. The weighted pupil grade level calculation shall be
4 determined by taking the highest average daily membership and
5 assigning weights to the pupils according to grade attended as
6 follows:

7	GRADE LEVEL	WEIGHT
8	a. Half-day early childhood programs	.7
9	b. Full-day early childhood programs	1.3
10	c. Half-day kindergarten	1.3
11	d. Full-day kindergarten	1.5
12	e. First and second grade	1.351
13	f. Third grade	1.051
14	g. Fourth through sixth grade	1.0
15	h. Seventh through twelfth grade	1.2
16	i. Out-of-home placement	1.50

17 Multiply the membership of each subparagraph of this paragraph by
18 the weight assigned to such subparagraph of this paragraph and add
19 the totals together to determine the weighted pupil grade level
20 calculation for a school district. Determination of the pupils
21 eligible for the early childhood program weight shall be pursuant to
22 the provisions of Section 1-114 of this title. The pupils eligible
23 for the out-of-home placement pupil weight shall be students who are
24 not residents of the school district in which they are receiving

1 education pursuant to the provisions of subsection D of Section 1-
2 113 of this title. Such weight may be claimed by the district
3 providing educational services to such student for the days that
4 student is enrolled in that district. If claimed, the out-of-home
5 placement weight shall be in lieu of the pupil grade level and any
6 pupil category weights for that student. Provided, if a student
7 resides in a juvenile detention center that is restricted to less
8 than twelve (12) beds, the out-of-home placement pupil weight for
9 such students shall be calculated as follows: for a center with six
10 (6) beds - 3.0; for a center with eight (8) beds - 2.3 and for a
11 center with ten (10) beds - 1.80.

12 2. The weighted pupil category calculation shall be determined
13 by assigning a weight to the pupil category as follows:

14	CATEGORY	WEIGHT
15	a. Visual Impairment	3.8
16	b. Specific Learning Disability	.4
17	c. Deafness or Hearing Impairment	2.9
18	d. Deaf-Blindness	3.8
19	e. Intellectual Disability	1.3
20	f. Emotional Disturbance	2.5
21	g. Gifted	.34
22	h. Multiple Disabilities	2.4
23	i. Orthopedic Impairment	1.2
24	j. Speech or Language Impairment	.05

1	k.	Bilingual	.25
2	l.	Special Education Summer Program	1.2
3	m.	Economically Disadvantaged	.25
4	n.	Optional Extended School Year	
5		Program	As determined by
6			the State Board
7			of Education
8	o.	Autism	2.4
9	p.	Traumatic Brain Injury	2.4
10	q.	Other Health Impairment	1.2

11 Except as otherwise provided, multiply the number of pupils approved
12 in the school year with the highest average daily membership in each
13 category by the weight assigned to such category and add the totals
14 together to determine the weighted pupil category calculation for a
15 school district. For the 1996-97 school year, the number to be
16 multiplied by the weight assigned to the gifted category in
17 subparagraph g of this paragraph shall be the lesser of (1) the sum
18 of the number of students who scored in the top three percent (3%)
19 on any national standardized test of intellectual ability plus the
20 number of students identified as gifted pursuant to subparagraphs a
21 through d of paragraph 1 of Section 1210.301 of this title or (2)
22 the sum of the number of students who scored in the top three
23 percent (3%) on any national standardized test of intellectual
24 ability plus eight percent (8%) of the total average daily

1 membership of the school district for the preceding school year.
2 For the 1997-98 school year and subsequent school years, the number
3 to be multiplied by the weight assigned to the gifted category in
4 subparagraph g of this paragraph shall be the lesser of (1) the sum
5 of the number of students who scored in the top three percent (3%)
6 on any national standardized test of intellectual ability plus the
7 number of students identified as gifted pursuant to subparagraphs a
8 through d of paragraph 1 of Section 1210.301 of this title, or (2)
9 the sum of the number of students who scored in the top three
10 percent (3%) on any national standardized test of intellectual
11 ability plus eight percent (8%) of the total average daily
12 membership of the school district for the first nine (9) weeks of
13 the school year.

14 3. The weighted district calculation shall be determined by
15 determining the calculations for each school district for both the
16 small school district formula and the district sparsity - isolation
17 formula, applying whichever is the greater of the calculations of
18 the two formulas and then applying the restrictions pursuant to
19 subparagraph c of this paragraph.

20 a. Small school district formula: $529 \text{ minus the average}$
21 $\text{daily membership divided by } 529 \text{ times } .2 \text{ times total}$
22 $\text{average daily membership.}$

23 The small school district formula calculation shall apply
24 only to school districts whose highest average daily

1 membership is less than 529 pupils. School districts which
2 are consolidated or annexed after July 1, 2003, pursuant to
3 the Oklahoma School Voluntary Consolidation and Annexation
4 Act shall have the weighted district size calculation for
5 the three (3) school years following the fiscal year in
6 which such consolidation occurred calculated to be the sum
7 of the individual consolidated districts computed as if the
8 consolidation had not taken place. Thereafter, any such
9 district which is consolidated pursuant to the Oklahoma
10 School Voluntary Consolidation and Annexation Act shall not
11 qualify for the weighted district calculation unless the
12 district can satisfy the specifications herein. Subject to
13 the provisions of subparagraph c of this paragraph, the
14 resulting number shall be counted as additional students
15 for the purpose of calculating State Aid.

16 b. District sparsity - isolation formula:

17 The district sparsity - isolation formula calculation shall
18 apply only to school districts:

19 (1) whose total area in square miles is greater than
20 the average number of square miles for all school
21 districts in this state; and

22 (2) whose areal density is less than one-fourth (1/4)
23 of the state average areal density. Areal
24 density shall be determined by dividing the

1 school district's average daily membership by the
2 school district's total area in square miles.
3 The district sparsity - isolation formula calculation shall
4 be calculated as follows:

5 The school district student cost factor multiplied by
6 the school district area factor. The resulting
7 product shall be multiplied by the school district's
8 average daily membership. Subject to the provisions
9 of subparagraph c of this paragraph, the resulting
10 number shall be counted as additional students for the
11 purpose of calculating State Aid.

12 The school district student cost factor shall be calculated
13 as follows:

14 The school district's average daily membership shall
15 be categorized into the following grade level groups
16 and applied to the appropriate formulas as computed
17 below:

18 Grade Level Group

19 Grades K-5 Divide 74 by the sum of the Grade
20 Level ADM plus 23,
21 add .85 to the quotient, then
22 multiply the sum by the Grade
23 Level ADM.

24 Grades 6-8 Divide 122 by the sum of the Grade

1 Level ADM plus 133,
2 add .85 to the quotient, then
3 multiply the sum by the Grade
4 Level ADM.

5 Grades 9-12 Divide 292 by the sum of the Grade
6 Level ADM plus 128,
7 add .78 to the quotient, then
8 multiply the sum by the Grade
9 Level ADM.

10 The sum of the grade level group's average daily
11 membership shall be divided by the school district's
12 average daily membership. The number one (1.0) shall
13 be subtracted from the resulting quotient.

14 The school district area cost factor shall be calculated as
15 follows:

16 Subtract the state average district area from the
17 district area, then divide the remainder by the state
18 average district area;

19 however, the district area cost factor shall not exceed one
20 (1.0).

21 The State Board of Education shall define geographical barriers
22 whose location in a school district would inhibit the district from
23 consolidation or annexation. The Board shall make available an
24 application process, review applications, and for districts the

1 Board deems necessary allow additional square miles to be used for
2 the purposes of calculations used for the weighted district sparsity
3 - isolation formula. Provided, that the additional square miles
4 allowed for geographical barriers shall not exceed thirty percent
5 (30%) of the district's actual size.

6 c. State Aid funds which a district is calculated to
7 receive as a result of the weighted district
8 calculation shall be restricted as follows:

9 If, after the weighted district calculation is
10 applied, the district's projected per pupil
11 revenue exceeds one hundred fifty percent (150%)
12 of the projected state average per pupil revenue,
13 then the district's State Aid shall be reduced by
14 an amount that will restrict the district's
15 projected per pupil revenue to one hundred fifty
16 percent (150%) of the projected state average per
17 pupil revenue. Provided, in applying the
18 restriction provided in this division, the
19 district's State Aid shall not be reduced by an
20 amount greater than by the amount of State Aid
21 which was generated by the weighted district
22 calculation.

23 The July calculation of the projected per pupil
24 revenue shall be determined by dividing the highest of

1 the district's preceding two (2) years average daily
2 membership (ADM) as weighted by the pupil grade level,
3 the pupil category, the district and the teacher
4 experience degree index calculations for projected
5 State Aid into the district's projected total revenues
6 including projected funds for the State Aid Formula
7 for the preceding year, net assessed valuation for the
8 preceding calendar year times thirty-nine (39) mills,
9 county revenues excluding the county four-mills
10 revenues for the second preceding year, other state
11 appropriations for the preceding year and the
12 collections for the preceding year of state
13 apportionment, motor vehicle revenue, gross production
14 tax and R.E.A. tax.

15 The December calculation of the projected per pupil
16 revenue shall be determined by dividing the highest of
17 the district's first nine (9) weeks of the current
18 school year or the two (2) preceding school years
19 average daily membership (ADM) as weighted by the
20 pupil grade level, the pupil category, the district
21 and the teacher experience degree index calculations
22 for projected State Aid into the district's projected
23 total revenues including funds for the December
24 calculation of the current year State Aid Formula, net

1 assessed valuation for the current calendar year times
2 thirty-nine (39) mills, county revenues excluding the
3 county four-mills revenue for the preceding year,
4 other state appropriations for the preceding year and
5 the collections for the preceding year of state
6 apportionment, motor vehicle revenue, gross production
7 tax and R.E.A. tax.

8 The district's projected total revenues for each
9 calculation shall exclude the following collections
10 for the second preceding year: federal revenue,
11 insurance loss payments, reimbursements, recovery of
12 overpayments and refunds, unused reserves, prior
13 expenditures recovered, prior year surpluses, and
14 other local miscellaneous revenues.

15 4. The weighted teacher experience and degree calculation shall
16 be determined in accordance with the teacher experience and degree
17 index. The State Department of Education shall determine an index
18 for each state teacher by using data supplied in the school
19 district's teacher personnel reports of the preceding year and
20 utilizing the index as follows:

21 TEACHER EXPERIENCE - DEGREE INDEX

22 EXPERIENCE	BACHELOR'S	MASTER'S	DOCTOR'S
	DEGREE	DEGREE	DEGREE
23			
24 0 - 2	.7	.9	1.1

1	3 - 5	.8	1.0	1.2
2	6 - 8	.9	1.1	1.3
3	9 - 11	1.0	1.2	1.4
4	12 - 15	1.1	1.3	1.5
5	Over 15	1.2	1.4	1.6

6 The school district teacher index for each school district shall
7 be determined by subtracting the weighted average state teacher from
8 the weighted average district teacher. Multiply the school district
9 teacher index if greater than zero by .7 and then multiply that
10 product by the sum of the district's weighted pupil grade level
11 calculation provided in paragraph 1 of this subsection and the
12 weighted pupil category calculation provided in subparagraph m of
13 paragraph 2 of this subsection to determine the weighted teacher
14 experience and degree calculation.

15 ~~SECTION 4. This act shall become effective July 1, 2020.~~

16 ~~SECTION 5. It being immediately necessary for the preservation~~
17 ~~of the public peace, health or safety, an emergency is hereby~~
18 ~~declared to exist, by reason whereof this act shall take effect and~~
19 ~~be in full force from and after its passage and approval.~~

20 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
21 February 26, 2020 - DO PASS AS AMENDED

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