

1 STATE OF OKLAHOMA

2 1st Session of the 58th Legislature (2021)

3 COMMITTEE SUBSTITUTE

4 FOR

5 HOUSE BILL NO. 2078

6 By: Hilbert

7 COMMITTEE SUBSTITUTE

8 An Act relating to school funding; amending 70 O.S.  
9 2011, Sections 18-200.1, as amended by Section 1,  
10 Chapter 128, O.S.L. 2020 and 18-201.1, as last  
11 amended by Section 3, Chapter 61, O.S.L. 2020 (70  
12 O.S. Supp. 2020, Sections 18-200.1 and 18-201.1),  
13 which relate to State Aid; modifying calculation for  
14 initial allocation of State Aid; adjusting years of  
15 data to be used in calculating average daily  
16 membership; modifying the July calculation of per  
17 pupil revenue; revising calculation for Foundation  
18 Aid; altering calculation for Salary Incentive Aid;  
19 increasing percentages of allowable general fund  
20 carryover; prohibiting assessment of carryover  
21 penalty in certain fiscal years; adjusting weighted  
22 calculations for weighted average daily membership;  
23 revising July and December calculations for projected  
24 per pupil revenue; providing an effective date; and  
providing for conditional effect.

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

SECTION 1. AMENDATORY 70 O.S. 2011, Section 18-200.1, as  
amended by Section 1, Chapter 128, O.S.L. 2020 (70 O.S. Supp. 2020,  
Section 18-200.1), is amended to read as follows:

Section 18-200.1 A. Beginning with the ~~1997-98~~ 2022-2023  
school year, and each school year thereafter, each school district

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

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

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

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

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

18 C. On and after July 1, 1997, the amount of State Aid each  
19 district shall receive shall be the sum of the Foundation Aid, the  
20 Salary Incentive Aid and the Transportation Supplement, as adjusted  
21 pursuant to the provisions of subsection G of this section and  
22 Section 18-112.2 of this title; provided, no district having per  
23 pupil revenue in excess of three hundred percent (300%) of the  
24

1 average per pupil revenue of all districts shall receive any State  
2 Aid or Supplement in State Aid.

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

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

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

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

23 a. The Foundation Program shall be a district's ~~highest~~  
24 higher weighted average daily membership based on the

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

18 b. The Foundation Program Income shall be the sum of the  
19 following:

20 (1) The adjusted assessed valuation of the current  
21 school year of the school district, minus the  
22 previous year protested ad valorem tax revenues  
23 held as prescribed in Section 2884 of Title 68 of  
24 the Oklahoma Statutes, multiplied by the mills

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

- 10                   (2) Seventy-five percent (75%) of the amount received  
11                   by the school district from the proceeds of the  
12                   county levy during the preceding fiscal year, as  
13                   levied pursuant to subsection (b) of Section 9 of  
14                   Article X of the Oklahoma Constitution, and  
15                   (3) Motor Vehicle Collections, and  
16                   (4) Gross Production Tax, and  
17                   (5) State Apportionment, and  
18                   (6) R.E.A. Tax.

19                   The items listed in divisions (3), (4), (5), and (6)  
20                   of this subparagraph shall consist of the amounts  
21                   actually collected from such sources during the  
22                   preceding fiscal year calculated on a per capita basis  
23                   on the unit provided for by law for the distribution  
24                   of each such revenue.

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

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

7           b. The per capita allowance shall be determined using the  
 8 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	
.4917 - .5083	\$141.00	3.1250 - 3.3749	\$73.00	
.5084 - .5249	\$139.00	3.3750 - 3.6666	\$70.00	

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

18           c.    The formula transportation factor shall be 1.39.

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

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



1 determined by the provisions of subsection A of  
2 Section 18-201.1 of this title and paragraphs 1, 2, 3  
3 and 4 of subsection B of Section 18-201.1 of this  
4 title.

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

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

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

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

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

1 be the duty of the county assessor to certify to the Director of  
2 Finance of the State Department of Education the net assessed  
3 valuation of the property upon which taxes were determined  
4 uncollectible.

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

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

18	Total Amount of	Amount of
19	General Fund Collections,	General Fund
20	Excluding Previous Year	Balance
21	Cash Surplus as of June 30	Allowable
22	Less than \$1,000,000	<del>40%</del> <u>48%</u>
23	\$1,000,000 - \$2,999,999	<del>35%</del> <u>42%</u>
24	\$3,000,000 - \$3,999,999	<del>30%</del> <u>36%</u>

1	\$4,000,000 - \$4,999,999	<del>25%</del> <u>30%</u>
2	\$5,000,000 - \$5,999,999	<del>20%</del> <u>24%</u>
3	\$6,000,000 - \$7,999,999	<del>18%</del> <u>22%</u>
4	\$8,000,000 - \$9,999,999	<del>16%</del> <u>19%</u>
5	\$10,000,000 or more	<del>14%</del> <u>17%</u>

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

22        3. Any school district which receives proceeds from a tax  
23 settlement or a Federal Emergency Management Agency settlement  
24 during the last two (2) months of the preceding fiscal year shall be

1 exempt from the penalties assessed in this subsection, if the  
2 penalty would occur solely as a result of receiving funds from the  
3 tax settlement.

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

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

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

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

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

15 9. Any school district which has an amount of carryover in the  
16 general fund of the district in excess of the limits established in  
17 paragraph 1 of this subsection during the fiscal ~~year~~ years  
18 beginning July 1, ~~2019~~ 2022, and July 1, 2023, shall not be assessed  
19 a general fund balance penalty as provided for in this subsection.

20 10. For purposes of calculating the general fund balance  
21 penalty, the terms "carryover" and "general fund balance" shall not  
22 include federal revenue.

23 H. In order to provide startup funds for the implementation of  
24 early childhood programs, State Aid may be advanced to school

1 districts that initially start early childhood instruction at a  
2 school site. School districts that desire such advanced funding  
3 shall make application to the State Department of Education no later  
4 than September 15 of each year and advanced funding shall be awarded  
5 to the approved districts no later than October 30. The advanced  
6 funding shall not exceed the per pupil amount of State Aid as  
7 calculated in subsection D of this section per anticipated Head  
8 Start eligible student. The total amount of advanced funding shall  
9 be proportionately reduced from the monthly payments of the  
10 district's State Aid payments during the last six (6) months of the  
11 same fiscal year.

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

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

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

24

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

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

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

14           SECTION 2.           AMENDATORY           70 O.S. 2011, Section 18-201.1, as  
15 last amended by Section 3, Chapter 61, O.S.L. 2020 (70 O.S. Supp.  
16 2020, Section 18-201.1), is amended to read as follows:

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



1 calculation of Salary Incentive Aid purposes pursuant to paragraph 3  
2 of subsection D of Section 18-200.1 of this title shall be the sum  
3 of the weighted pupil grade level calculation, the weighted pupil  
4 category calculation, the weighted district calculation and the  
5 weighted teacher experience and degree calculation.

6 B. The Beginning with the 2022-2023 school year, the weighted  
7 calculations provided for in subsection A of this section shall be  
8 based on the ~~highest~~ higher weighted average daily membership of the  
9 first nine (9) weeks of the current school year, ~~the preceding~~  
10 ~~school year or the second~~ or the preceding school year of a school  
11 district, unless otherwise specified. The ~~highest~~ higher of the  
12 ~~three (3)~~ two (2) weighted average daily memberships shall be used  
13 consistently in all of the calculations; however, the weighted  
14 calculation for a statewide virtual charter school experiencing a  
15 significant decline in membership shall be based on the first nine  
16 (9) weeks of the current school year ~~and not on the preceding school~~  
17 ~~year or the second preceding school year~~ for the statewide virtual  
18 charter school. For purposes of this subsection, "significant  
19 decline in membership" means equal to or greater than a fifteen  
20 percent (15%) decrease in average daily membership from the  
21 preceding school year to the average daily membership of the first  
22 nine (9) weeks of the current school year. The average daily  
23 membership data used for all calculations in paragraphs 1, 2, 3 and  
24 4 of this subsection shall be the same as used in the calculation of

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

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

1 Aid Formula, net assessed valuation for the current  
2 calendar year times thirty-nine (39) mills, county  
3 revenues excluding the county four-mills revenue for  
4 the preceding year, other state appropriations for the  
5 preceding year and the collections for the preceding  
6 year of state apportionment, motor vehicle revenue,  
7 gross production 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
23	DEGREE	DEGREE	DEGREE
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 3. This act shall become effective July 1, 2022.

16       SECTION 4. The provisions of this act shall be contingent upon  
17 the enactment of the provisions of either House Bill No. 2074 or  
18 Senate Bill No. 783 of the 1st Session of the 58th Oklahoma  
19 Legislature and shall not become operative as law otherwise.

21       58-1-7614       JM       02/18/21

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