

1 **SENATE FLOOR VERSION**

2 March 23, 2021

3 ENGROSSED HOUSE
4 BILL NO. 2078

By: Hilbert, Hasenbeck, Davis,
Echols, O'Donnell and West
(Tammy) of the House

5 and

6 Taylor of the Senate
7

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

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

21 SECTION 1. AMENDATORY 70 O.S. 2011, Section 18-200.1, as
22 amended by Section 1, Chapter 128, O.S.L. 2020 (70 O.S. Supp. 2020,
23 Section 18-200.1), is amended to read as follows:
24

1 Section 18-200.1 A. Beginning with the ~~1997-98~~ 2022-2023
2 school year, and each school year thereafter, each school district
3 shall have its initial allocation of State Aid calculated based on
4 the 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 higher weighted average daily membership based on the
3 first nine (9) weeks of the current school year, ~~the~~
4 ~~preceding school year or the second~~ or the preceding
5 school 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~~ higher weighted average daily membership based
24 on the first nine (9) weeks of the current school

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

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

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

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

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

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

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

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

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

20	Total Amount of	Amount of
21	General Fund Collections,	General Fund
22	Excluding Previous Year	Balance
23	Cash Surplus as of June 30	Allowable
24	Less than \$1,000,000	40% <u>48%</u>

1	\$1,000,000 - \$2,999,999	35% <u>42%</u>
2	\$3,000,000 - \$3,999,999	30% <u>36%</u>
3	\$4,000,000 - \$4,999,999	25% <u>30%</u>
4	\$5,000,000 - \$5,999,999	20% <u>24%</u>
5	\$6,000,000 - \$7,999,999	18% <u>22%</u>
6	\$8,000,000 - \$9,999,999	16% <u>19%</u>
7	\$10,000,000 or more	14% <u>17%</u>

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

24

1 3. Any school district which receives proceeds from a tax
2 settlement or a Federal Emergency Management Agency settlement
3 during the last two (2) months of the preceding fiscal year shall be
4 exempt from the penalties assessed in this subsection, if the
5 penalty would occur solely as a result of receiving funds from the
6 tax settlement.

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

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

21 6. Any school district which receives gross production revenue
22 apportionment during the 2002-2003 school year or in any subsequent
23 school year that is greater than the gross production revenue
24 apportionment of the preceding school year shall be exempt from the

1 penalty assessed in this subsection, if the penalty would occur
2 solely as a result of the gross production revenue apportionment, as
3 determined by the State Board of Education.

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

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

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

23

24

1 10. For purposes of calculating the general fund balance
2 penalty, the terms "carryover" and "general fund balance" shall not
3 include federal revenue.

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

17 I. 1. Beginning July 1, 1996, the Oklahoma Tax Commission,
18 notwithstanding any provision of law to the contrary, shall report
19 monthly to the State Department of Education the monthly
20 apportionment of the following information:

- 21 a. the assessed valuation of property,
- 22 b. motor vehicle collections,
- 23 c. R.E.A. tax collected, and
- 24 d. gross productions tax collected.

1 2. Beginning July 1, 1997, the State Auditor and Inspector's
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 the proceeds of the county levy.

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

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

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

18 SECTION 2. AMENDATORY 70 O.S. 2011, Section 18-201.1, as
19 last amended by Section 3, Chapter 61, O.S.L. 2020 (70 O.S. Supp.
20 2020, Section 18-201.1), is amended to read as follows:

21 Section 18-201.1 A. Beginning with the 2020-21 school year,
22 and each school year thereafter, the weighted membership of a school
23 district for calculation of Foundation Aid purposes pursuant to
24 paragraph 1 of subsection D of Section 18-200.1 of this title shall

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

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

1 preceding school year to the average daily membership of the first
 2 nine (9) weeks of the current school year. The average daily
 3 membership data used for all calculations in paragraphs 1, 2, 3 and
 4 4 of this subsection shall be the same as used in the calculation of
 5 the State Aid Formula. The weighted calculations provided for in
 6 subsection A of this section shall be determined as follows:

7 1. The weighted pupil grade level calculation shall be
 8 determined by taking the highest average daily membership and
 9 assigning weights to the pupils according to grade attended as
 10 follows:

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

21 Multiply the membership of each subparagraph of this paragraph by
 22 the weight assigned to such subparagraph of this paragraph and add
 23 the totals together to determine the weighted pupil grade level
 24 calculation for a school district. Determination of the pupils

1 eligible for the early childhood program weight shall be pursuant to
2 the provisions of Section 1-114 of this title. The pupils eligible
3 for the out-of-home placement pupil weight shall be students who are
4 not residents of the school district in which they are receiving
5 education pursuant to the provisions of subsection D of Section 1-
6 113 of this title. Such weight may be claimed by the district
7 providing educational services to such student for the days that
8 student is enrolled in that district. If claimed, the out-of-home
9 placement weight shall be in lieu of the pupil grade level and any
10 pupil category weights for that student. Provided, if a student
11 resides in a juvenile detention center that is restricted to less
12 than twelve (12) beds, the out-of-home placement pupil weight for
13 such students shall be calculated as follows: for a center with six
14 (6) beds - 3.0; for a center with eight (8) beds - 2.3 and for a
15 center with ten (10) beds - 1.80.

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

18	CATEGORY	WEIGHT
19	a. Visual Impairment	3.8
20	b. Specific Learning Disability	.4
21	c. Deafness or Hearing Impairment	2.9
22	d. Deaf-Blindness	3.8
23	e. Intellectual Disability	1.3
24	f. Emotional Disturbance	2.5

1	g. Gifted	.34
2	h. Multiple Disabilities	2.4
3	i. Orthopedic Impairment	1.2
4	j. Speech or Language Impairment	.05
5	k. Bilingual	.25
6	l. Special Education Summer Program	1.2
7	m. Economically Disadvantaged	.25
8	n. Optional Extended School Year	
9	Program	As determined by
10		the State Board
11		of Education
12	o. Autism	2.4
13	p. Traumatic Brain Injury	2.4
14	q. Other Health Impairment	1.2

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

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

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

24

1 a. Small school district formula: 529 minus the average
2 daily membership divided by 529 times .2 times total
3 average daily membership.

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

21 b. District sparsity - isolation formula:

22 The district sparsity - isolation formula calculation shall
23 apply only to school districts:
24

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

4 (2) whose areal density is less than one-fourth (1/4)
5 of the state average areal density. Areal
6 density shall be determined by dividing the
7 school district's average daily membership by the
8 school district's total area in square miles.

9 The district sparsity - isolation formula calculation shall
10 be calculated as follows:

11 The school district student cost factor multiplied by
12 the school district area factor. The resulting
13 product shall be multiplied by the school district's
14 average daily membership. Subject to the provisions
15 of subparagraph c of this paragraph, the resulting
16 number shall be counted as additional students for the
17 purpose of calculating State Aid.

18 The school district student cost factor shall be calculated
19 as follows:

20 The school district's average daily membership shall
21 be categorized into the following grade level groups
22 and applied to the appropriate formulas as computed
23 below:

24 Grade Level Group

1 Grades K-5 Divide 74 by the sum of the Grade
2 Level ADM plus 23,
3 add .85 to the quotient, then
4 multiply the sum by the Grade
5 Level ADM.

6 Grades 6-8 Divide 122 by the sum of the Grade
7 Level ADM plus 133,
8 add .85 to the quotient, then
9 multiply the sum by the Grade
10 Level ADM.

11 Grades 9-12 Divide 292 by the sum of the Grade
12 Level ADM plus 128,
13 add .78 to the quotient, then
14 multiply the sum by the Grade
15 Level ADM.

16 The sum of the grade level group's average daily
17 membership shall be divided by the school district's
18 average daily membership. The number one (1.0) shall
19 be subtracted from the resulting quotient.

20 The school district area cost factor shall be calculated as
21 follows:

22 Subtract the state average district area from the
23 district area, then divide the remainder by the state
24 average district area;

1 however, the district area cost factor shall not exceed one
2 (1.0).

3 The State Board of Education shall define geographical barriers
4 whose location in a school district would inhibit the district from
5 consolidation or annexation. The Board shall make available an
6 application process, review applications, and for districts the
7 Board deems necessary allow additional square miles to be used for
8 the purposes of calculations used for the weighted district sparsity
9 - isolation formula. Provided, that the additional square miles
10 allowed for geographical barriers shall not exceed thirty percent
11 (30%) of the district's actual size.

12 c. State Aid funds which a district is calculated to
13 receive as a result of the weighted district
14 calculation shall be restricted as follows:

15 If, after the weighted district calculation is
16 applied, the district's projected per pupil
17 revenue exceeds one hundred fifty percent (150%)
18 of the projected state average per pupil revenue,
19 then the district's State Aid shall be reduced by
20 an amount that will restrict the district's
21 projected per pupil revenue to one hundred fifty
22 percent (150%) of the projected state average per
23 pupil revenue. Provided, in applying the
24 restriction provided in this division, the

1 district's State Aid shall not be reduced by an
2 amount greater than by the amount of State Aid
3 which was generated by the weighted district
4 calculation.

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

21 The December calculation of the projected per pupil
22 revenue shall be determined by dividing the ~~highest~~
23 higher of the district's first nine (9) weeks of the
24 current school year or the ~~two (2)~~ preceding school

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

14 The district's projected total revenues for each
15 calculation shall exclude the following collections
16 for the ~~second~~ preceding year: federal revenue,
17 insurance loss payments, reimbursements, recovery of
18 overpayments and refunds, unused reserves, prior
19 expenditures recovered, prior year surpluses, and
20 other local miscellaneous revenues.

21 4. The weighted teacher experience and degree calculation shall
22 be determined in accordance with the teacher experience and degree
23 index. The State Department of Education shall determine an index
24 for each state teacher by using data supplied in the school

1 district's teacher personnel reports of the preceding year and
2 utilizing the index as follows:

3 TEACHER EXPERIENCE - DEGREE INDEX

4 EXPERIENCE	BACHELOR'S	MASTER'S	DOCTOR'S
5	DEGREE	DEGREE	DEGREE
6 0 - 2	.7	.9	1.1
7 3 - 5	.8	1.0	1.2
8 6 - 8	.9	1.1	1.3
9 9 - 11	1.0	1.2	1.4
10 12 - 15	1.1	1.3	1.5
11 Over 15	1.2	1.4	1.6

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

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

22 SECTION 4. The provisions of this act shall be contingent upon
23 the enactment of the provisions of either House Bill No. 2074 or
24

1 Senate Bill No. 783 of the 1st Session of the 58th Oklahoma
2 Legislature and shall not become operative as law otherwise.
3 COMMITTEE REPORT BY: COMMITTEE ON FINANCE
4 March 23, 2021 - DO PASS and referred to second committee; March 24,
5 2021, withdrawn from Committee on Appropriations

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