

COMMITTEE AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB1522 _____
Of the printed Bill
Page _____ Section _____ Lines _____
Of the Engrossed Bill

By deleting the content of the entire measure, and by inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Amendment submitted by: Dick Lowe

Adopted: _____

Reading Clerk

1 STATE OF OKLAHOMA

2 1st Session of the 60th Legislature (2025)

3 PROPOSED OVERSIGHT
4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 1522

By: Lowe (Dick)

7
8
9 PROPOSED OVERSIGHT COMMITTEE SUBSTITUTE

10 An Act relating to schools; amending 70 O.S. 2021,
11 Section 3-160, which relates to implementation of a
12 state student record system; modifying name of
13 system; directing the State Board of Education to
14 issue a request for proposals for the selection of a
15 statewide student information system by certain date;
16 adding certain system compliance elements; directing
17 certain systems to be used by school districts until
18 certain date; authorizing the State Department of
19 Education to define certain requirements until
20 certain date; directing the Board to procure certain
21 system by certain date; specifying use of system;
22 directing the Department to implement certain system
23 by certain date; prohibiting certain fund usage prior
24 to system implementation; directing the Department to
provide certain assistance and training; amending 70
O.S. 2021, Section 18-116, which relates to
forfeiture or withholding of State Aid; updating
statutory language; making language gender neutral;
directing certain forfeiture of State Aid for certain
noncompliance until certain date; requiring school
districts to use certain student information system
beginning on certain date; amending 70 O.S. 2021,
Section 18-200.1, as amended by Section 1, Chapter
280, O.S.L. 2023 (70 O.S. Supp. 2024, Section 18-
200.1), which relates to the State Aid Formula;
modifying calculation of certain per pupil revenue;
removing language providing certain calculation of
Foundation Program; directing the Department to

1 implement certain student information system by
2 certain date; updating statutory references; updating
3 statutory language; providing an effective date; and
4 declaring an emergency.

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

5 SECTION 1. AMENDATORY 70 O.S. 2021, Section 3-160, is
6 amended to read as follows:

7 Section 3-160. A. In developing and implementing a state
8 student ~~record~~ information system, as required in ~~Subsection~~
9 subsection E of Section 18-200.1 of this title, and as needed to
10 comply with the tracking and reporting requirements of the
11 Elementary and Secondary Education Act of 1965 (ESEA), P.L. No. 114-
12 95, as reauthorized by the Every Student Succeeds Act (ESSA) ~~of~~
13 ~~2015, the State Department of Education~~ State Board of Education by
14 November 1, 2025, shall ~~construct the~~ issue a request for proposals
15 for the selection of a statewide student information system ~~to~~. The
16 system shall contain the following elements and comply with the
17 following standards and compliance capabilities:

- 18 1. Extensible Markup Language (XML), which defines common data
19 formats used during communication between disparate systems;
- 20 2. Web services protocol developed by the World Wide Web
21 Consortium, which enables systems that are physically separated but
22 connected to the Internet to be combined to permit complex
23 operations;

1 3. Schools Interoperability Framework (SIF) version ~~1.5~~ 4.3
2 specifications, or any updated versions of the specifications, which
3 enable school district software management systems to communicate
4 with each other. The student ~~record~~ information system shall
5 include, but not be limited to, the specifications for course
6 identifiers, state standard formatting, content formatting, and
7 assessment formatting specification;

8 4. United States Department of Education ED Facts data exchange
9 guidelines with data elements capable of providing reporting on
10 federal educational programs; ~~and~~

11 5. Defined state data codes to ensure consistent reporting from
12 school districts including, but not limited to, data codes for
13 course identifiers, entries, gains, and losses. Current data codes
14 for teacher certification and the Oklahoma Cost Accounting System
15 shall be extended to match other defined data codes; and

16 6. The Student Data Accessibility, Transparency and
17 Accountability Act of 2013 created pursuant to Section 3-168 of this
18 title.

19 B. ~~Any~~ Until July 1, 2027, any student information system and
20 any instructional management system used by school districts in ~~the~~
21 this state shall comply with the Extensible Markup Language (XML)
22 standards and the Schools Interoperability Framework (SIF) version
23 ~~1.5~~ 4.3 specifications, or any updated versions of the
24 specifications.

1 C. ~~The~~ Until July 1, 2027, the State Department of Education
2 shall have the authority to define requirements for the submission
3 of data elements in compliance with the Schools Interoperability
4 Framework (SIF) version ~~1.5~~ 4.3, or any updated versions of the
5 specifications, for the student information systems and
6 instructional management systems used by school districts statewide
7 in compliance with state and federal statutes.

8 D. 1. By March 1, 2026, the State Board of Education shall
9 procure a statewide student information system which all school
10 districts in this state shall use for school district operations and
11 the reporting of enrollment data by school sites and school
12 districts, the administration of the Oklahoma School Testing Program
13 Act, the collection of appropriate and necessary data pursuant to
14 the Oklahoma Educational Indicators Program, establishing a student
15 mobility rate, allocation of the State Aid Formula, and midyear
16 adjustments in funding for student growth.

17 2. By July 1, 2027, the State Department of Education shall
18 implement the procured statewide student information system. No new
19 funds shall be encumbered prior to full implementation of the
20 procured statewide student information system and instructional
21 management system. Prior to full implementation, the Department
22 shall provide project management, data conversion assistance, and
23 training to appropriate school district personnel in the use of the
24 statewide student information system.

1 SECTION 2. AMENDATORY 70 O.S. 2021, Section 18-116, is
2 amended to read as follows:

3 Section 18-116. A. Any school district which willfully
4 operates school buses contrary to the rules and regulations
5 prescribed by the State Board of Education shall forfeit its State
6 Aid for the time of noncompliance. All State Aid funds shall be
7 withheld from any school district that does not comply with the
8 standards of the State Board of Education for accrediting.

9 B. Any school district that willfully pays a teacher less than
10 the minimum salary required by law including the five percent (5%)
11 increments for special education or alternative education shall
12 forfeit a portion of its State Aid equal to the amount that the
13 teacher was underpaid. The amount to be forfeited shall be deducted
14 from the State Aid payment following confirmation of the
15 underpayment by the State Department of Education.

16 C. 1. No more than fifty percent (50%) of the funds
17 apportioned to school districts under the provisions of this ~~article~~
18 section shall be paid by the state unless and until there has been
19 filed with the State Board of Education on forms prescribed by such
20 Board an itemized sworn account of the expenditures and revenues of
21 the school district during the next preceding fiscal year and a
22 teacher personnel report for the current year.

23 2. All State Aid paid to a district whose district budget, as
24 filed with the Office of the State Auditor and Inspector, shows that

1 the appropriations of the district, plus the State Aid and other
2 cash funds for which the district qualifies, will not enable it to
3 maintain a full term of school as defined by this ~~article~~ section,
4 shall be credited against the State Aid of the district or districts
5 to which the first district shall be annexed, if annexation is
6 required. It is intended that the balance of any unexpended State
7 Aid or other revenue originally allocated to an annexed district
8 shall be paid to the receiving district.

9 D. School districts receiving State Aid shall not spend any of
10 these funds except by regularly issued warrants. The warrants shall
11 be issued against properly approved encumbrances in the manner
12 provided by law. All encumbrances shall be approved by the board of
13 education of the school district at a regular meeting or a special
14 meeting called for that purpose. All original copies of
15 encumbrances as represented by purchase orders, shall be filed in
16 either numerical or alphabetical order, with the original paid
17 invoice or invoices attached, accompanied by a signed and dated
18 receiving copy verifying receipt of goods or services. It shall be
19 unlawful to register or pay the warrant unless such warrant conforms
20 to the statutes regulating the allowance and issuance thereof. ~~Said~~
21 The school district treasurer shall purchase, by treasurer's check,
22 all warrants issued.

23 E. All board of education members, employees, or other
24 officials of school districts required to make reports to the State

1 Board of Education or other agencies under the provisions of this
2 ~~article~~ section, and all persons lawfully charged with the duty of
3 making records of original entry, such as teachers' registers,
4 transportation records, and financial records, which form the basis,
5 in whole or in part, of ~~said~~ the reports, shall exercise the highest
6 degree of diligence, accuracy, and good faith in making ~~said~~ the
7 records and reports reflect the truth. Teachers' registers shall be
8 marked daily in ink, by the teacher or principal in charge of rooms
9 or groups of pupils. Provided, the State Board of Education may
10 authorize alternate systems of accounting for pupils' attendance in
11 districts using data processing methods.

12 F. The State Board of Education shall revoke the certificate of
13 any teacher, principal, or superintendent who knowingly or willfully
14 violates any of the provisions of this ~~article~~ section.

15 G. Any official involved in the execution of this ~~article~~
16 section who shall fail or refuse to carry out any of the provisions
17 thereof shall be liable on his or her official bond, if any, for the
18 monetary damages resulting from ~~said~~ the failure to act, and in
19 addition thereto shall be subject to removal from office for neglect
20 of duty under the provisions of law relating to the removal of
21 public officials.

22 H. Any person or firm who shall knowingly or willfully violate
23 any of the provisions of this ~~article~~ section shall be guilty of a
24 misdemeanor. Any public official or public employee violating any

1 of the provisions of this ~~article~~ section shall be subject to the
2 penalties for a misdemeanor and in addition thereto shall forfeit
3 his or her position or office. Any officer or employee of the State
4 Board of Education who knowingly or willfully apports or
5 disburses any monies appropriated by this ~~article~~ section contrary
6 to the provisions of this ~~article~~ section shall be subject to the
7 penalties for a misdemeanor and in addition shall forfeit his or her
8 office or position.

9 I. The State Board of Education shall prescribe the form of all
10 records, reports, and applications for State Aid necessary ~~to~~ for
11 the proper administration of this ~~article~~ section, and it shall be
12 the duty of all~~r~~ school district superintendents~~r~~ and boards of
13 education of school districts to make such reports fully and
14 completely at the time and in the manner prescribed by the State
15 Board of Education. The State Board of Education shall also have
16 authority and it shall be its duty to promulgate rules and
17 regulations, not inconsistent with the provisions hereof, relative
18 to the distribution of funds and for the administration of this
19 ~~article~~ section. Such regulations and rules shall apply alike to
20 all school districts.

21 J. ~~Any~~ Until July 1, 2027, any school district that is not in
22 compliance with the standards and requirements established by the
23 State Board of Education related to the state student ~~record~~
24 information system as provided in Section 3-160 of this title shall

1 forfeit its State Aid for the time of noncompliance. Beginning July
2 1, 2027, each school district in this state shall use a statewide
3 student information system selected by the Board pursuant to Section
4 3-160 of this title.

5 SECTION 3. AMENDATORY 70 O.S. 2021, Section 18-200.1, as
6 amended by Section 1, Chapter 280, O.S.L. 2023 (70 O.S. Supp. 2024,
7 Section 18-200.1), is amended to read as follows:

8 Section 18-200.1. A. Beginning with the 2022-2023 school year,
9 and each school year thereafter, each school district shall have its
10 initial allocation of State Aid calculated based on the state
11 dedicated revenues actually collected during the preceding fiscal
12 year, the adjusted assessed valuation of the preceding year, and the
13 weighted average daily membership (ADM) for the school district of
14 the preceding school year. Each school district shall submit the
15 following data based on the first nine (9) weeks, to be used in the
16 calculation of the average daily membership of the school district:

- 17 1. Student enrollment by grade level;
- 18 2. Pupil category counts; and
- 19 3. Transportation supplement data.

20 On or before December 30, the State Department of Education
21 shall determine each school district's current year allocation
22 pursuant to subsection D of this section. The State Department of
23 Education shall complete an audit, using procedures established by
24 the Department, of the student enrollment by grade level data, pupil

1 category counts, and transportation supplement data to be used in
2 the State Aid Formula pursuant to subsection D of this section by
3 December 1 and by January 15 shall notify each school district of
4 the district's final State Aid allocation for the current school
5 year. The January payment of State Aid and each subsequent payment
6 for the remainder of the school year shall be based on the final
7 State Aid allocation as calculated in subsection D of this section.
8 Except for reductions made due to the assessment of penalties by the
9 State Department of Education according to law, the January payment
10 of State Aid and each subsequent payment for the remainder of the
11 school year shall not decrease by an amount more than the amount
12 that the current chargeable revenue increases for that district.

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

23 C. On and after July 1, 1997, the amount of State Aid each
24 district shall receive shall be the sum of the Foundation Aid, the

1 Salary Incentive Aid, and the Transportation Supplement, as adjusted
2 pursuant to the provisions of subsection G of this section and
3 Section 18-112.2 of this title; provided, no district having per
4 pupil revenue in excess of three hundred percent (300%) of the
5 average per pupil revenue of all districts shall receive any State
6 Aid or Supplement in State Aid.

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

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

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

24

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

4 a. The Foundation Program shall be a district's higher
5 weighted average daily membership based on the first
6 nine (9) weeks of the current school year or the
7 preceding school year of a school district, as
8 determined by the provisions of subsection A of
9 Section 18-201.1 of this title and paragraphs 1, 2, 3,
10 and 4 of subsection B of Section 18-201.1 of this
11 title, multiplied by the Base Foundation Support
12 Level. ~~However, for the portion of weighted~~
13 ~~membership derived from nonresident, transferred~~
14 ~~pupils enrolled in online courses, the Foundation~~
15 ~~Program shall be a district's weighted average daily~~
16 ~~membership of the preceding school year or the first~~
17 ~~nine (9) weeks of the current school year, whichever~~
18 ~~is greater, as determined by the provisions of~~
19 ~~subsection A of Section 18-201.1 of this title and~~
20 ~~paragraphs 1, 2, 3, and 4 of subsection B of Section~~
21 ~~18-201.1 of this title, multiplied by the Base~~
22 ~~Foundation Support Level.~~

23 b. The Foundation Program Income shall be the sum of the
24 following:

- 1 (1) ~~The~~ the adjusted assessed valuation of the
2 current school year of the school district, minus
3 the previous year protested ad valorem tax
4 revenues held as prescribed in Section 2884 of
5 Title 68 of the Oklahoma Statutes, multiplied by
6 the mills levied pursuant to subsection (c) of
7 Section 9 of Article X of the Oklahoma
8 Constitution, if applicable, as adjusted in
9 subsection (c) of Section 8A of Article X of the
10 Oklahoma Constitution. For purposes of this
11 subsection, the "adjusted assessed valuation of
12 the current school year" shall be the adjusted
13 assessed valuation on which tax revenues are
14 collected during the current school year, ~~and~~
15 (2) ~~Seventy-five~~ seventy-five percent (75%) of the
16 amount received by the school district from the
17 proceeds of the county levy during the preceding
18 fiscal year, as levied pursuant to subsection (b)
19 of Section 9 of Article X of the Oklahoma
20 Constitution, ~~and~~
21 (3) motor vehicle collections, ~~and~~
22 (4) gross production tax, ~~and~~
23 (5) state apportionment, and
24 (6) R.E.A. tax.

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

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

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

b. The per capita allowance shall be determined using the 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

1	.4250 - .4416	\$150.00	2.1786 - 2.3928	\$81.00
2	.4417 - .4583	\$147.00	2.3929 - 2.6249	\$79.00
3	.4584 - .4749	\$145.00	2.6250 - 2.8749	\$77.00
4	.4750 - .4916	\$143.00	2.8750 - 3.1249	\$75.00
5	.4917 - .5083	\$141.00	3.1250 - 3.3749	\$73.00
6	.5084 - .5249	\$139.00	3.3750 - 3.6666	\$70.00
7	.5250 - .5416	\$136.00	3.6667 - 3.9999	\$68.00
8	.5417 - .5583	\$134.00	4.0000 - 4.3333	\$66.00
9	.5584 - .5749	\$132.00	4.3334 - 4.6666	\$64.00
10	.5750 - .5916	\$130.00	4.6667 - 4.9999	\$62.00
11	.5917 - .6133	\$128.00	5.0000 - 5.5000	\$59.00
12	.6134 - .6399	\$125.00	5.5001 - 6.0000	\$57.00
13	.6400 - .6666	\$123.00	6.0001 - 6.5000	\$55.00
14	.6667 - .6933	\$121.00	6.5001 - 7.0000	\$53.00
15	.6934 - .7199	\$119.00	7.0001 - 7.3333	\$51.00
16	.7200 - .7466	\$117.00	7.3334 - 7.6667	\$48.00
17	.7467 - .7733	\$114.00	7.6668 - 8.0000	\$46.00
18	.7734 - .7999	\$112.00	8.0001 - 8.3333	\$44.00
19	.8000 - .8266	\$110.00	8.3334 - 8.6667	\$42.00
20	.8267 - .8533	\$108.00	8.6668 - 9.0000	\$40.00
21	.8534 - .8799	\$106.00	9.0001 - 9.3333	\$37.00
22	.8800 - .9066	\$103.00	9.3334 - 9.6667	\$35.00
23	.9067 - .9333	\$101.00	9.6668 or more	\$33.00

24 c. The formula transportation factor shall be 2.0.

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

2 a. ~~Multiply~~ multiply the Incentive Aid guarantee by the
3 district's higher weighted average daily membership
4 based on the first nine (9) weeks of the current
5 school year or the preceding school year of a school
6 district, as determined by the provisions of
7 subsection A of Section 18-201.1 of this title and
8 paragraphs 1, 2, 3, and 4 of subsection B of Section
9 18-201.1 of this title. ~~,~~ ,

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

18 c. ~~Multiply~~ multiply the number of mills levied for
19 general fund purposes above the fifteen (15) mills
20 required to support Foundation Aid pursuant to
21 division (1) of subparagraph b of paragraph 1 of this
22 subsection, not including the county four-mill levy,
23 by the remainder of subparagraph b of this paragraph.
24

1 The product shall be the Salary Incentive Aid of the
2 district.

3 E. By ~~June 30, 1998~~ July 1, 2027, the State Department of
4 Education shall ~~develop and the Department and all school districts~~
5 ~~shall have implemented~~ implement a student ~~identification~~
6 information system which is consistent with the provisions of
7 subsections ~~C~~ D and ~~D~~ E of Section 3111 of Title 74 of the Oklahoma
8 Statutes. The student ~~identification~~ information system shall be
9 used specifically for the purpose of reporting enrollment data by
10 school sites and by school districts, the administration of the
11 Oklahoma School Testing Program Act, the collection of appropriate
12 and necessary data pursuant to the Oklahoma Educational Indicators
13 Program, determining student enrollment, establishing a student
14 mobility rate, allocation of the State Aid Formula, and midyear
15 adjustments in funding for student growth. ~~This enrollment~~
16 Enrollment data shall be submitted to the State Department of
17 Education in accordance with rules promulgated by the State Board of
18 Education. Funding for the ~~development,~~ implementation, personnel
19 training, and maintenance of the student ~~identification~~ information
20 system shall be set out in a separate line item in the allocation
21 section of the appropriation bill for the State Board of Education
22 for each year.

23 F. 1. In the event that ad valorem taxes of a school district
24 are determined to be uncollectible because of bankruptcy, clerical

1 error, or a successful tax protest, and the amount of such taxes
2 deemed uncollectible exceeds Fifty Thousand Dollars (\$50,000.00) or
3 an amount greater than twenty-five percent (25%) of ad valorem taxes
4 per tax year, or the valuation of a district is lowered by order of
5 the State Board of Equalization, the school district's State Aid,
6 for the school year that such ad valorem taxes are calculated in the
7 State Aid Formula, shall be determined by subtracting the net
8 assessed valuation of the property upon which taxes were deemed
9 uncollectible from the assessed valuation of the school district and
10 the state. Upon request of the local board of education, it shall
11 be the duty of the county assessor to certify to the Director of
12 Finance of the State Department of Education the net assessed
13 valuation of the property upon which taxes were determined
14 uncollectible.

15 2. In the event that the amount of funds a school district
16 receives for reimbursement from the Ad Valorem Reimbursement Fund is
17 less than the amount of funds claimed for reimbursement by the
18 school district due to insufficiency of funds as provided in Section
19 193 of Title 62 of the Oklahoma Statutes, then the school district's
20 assessed valuation for the school year that such ad valorem
21 reimbursement is calculated in the State Aid Formula shall be
22 adjusted accordingly.

23 G. 1. Notwithstanding the provisions of Section 18-112.2 of
24 this title, a school district shall have its State Aid reduced by an

1 amount equal to the amount of carryover in the general fund of the
2 district as of June 30 of the preceding fiscal year, that is in
3 excess of the following standards for two (2) consecutive years:

4	Total Amount of	Amount of
5	General Fund Collections,	General Fund
6	Excluding Previous Year	Balance
7	Cash Surplus as of June 30	Allowable
8	Less than \$1,000,000	48%
9	\$1,000,000 - \$2,999,999	42%
10	\$3,000,000 - \$3,999,999	36%
11	\$4,000,000 - \$4,999,999	30%
12	\$5,000,000 - \$5,999,999	24%
13	\$6,000,000 - \$7,999,999	22%
14	\$8,000,000 - \$9,999,999	19%
15	\$10,000,000 or more	17%

16 2. By February 1 the State Department of Education shall send
17 by certified mail, with return receipt requested, to each school
18 district superintendent, auditor, and regional accreditation officer
19 a notice of and calculation sheet reflecting the general fund
20 balance penalty to be assessed against that school district.
21 Calculation of the general fund balance penalty shall not include
22 federal revenue. Within thirty (30) days of receipt of this written
23 notice the school district shall submit to the Department a written
24 reply either accepting or protesting the penalty to be assessed

1 against the district. If protesting, the school district shall
2 submit with its reply the reasons for rejecting the calculations and
3 documentation supporting those reasons. The Department shall review
4 all school district penalty protest documentation and notify each
5 district by March 15 of its finding and the final penalty to be
6 assessed to each district. General fund balance penalties shall be
7 assessed to all school districts by April 1.

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

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

20 5. If a school district does not receive Foundation Aid and/or
21 Salary Incentive Aid during the preceding fiscal year, the State
22 Board of Education may waive the penalty assessed in this subsection
23 if the penalty would result in a loss of more than forty percent
24 (40%) of the remaining State Aid to be allocated to the school

1 district between April 1 and the remainder of the school year and if
2 the Board determines the penalty will cause the school district not
3 to meet remaining financial obligations.

4 6. Any school district which receives gross production revenue
5 apportionment during the 2002-2003 school year or in any subsequent
6 school year that is greater than the gross production revenue
7 apportionment of the preceding school year shall be exempt from the
8 penalty assessed in this subsection, if the penalty would occur
9 solely as a result of the gross production revenue apportionment, as
10 determined by the State Board of Education.

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

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

1 9. Any school district which has an amount of carryover in the
2 general fund of the district in excess of the limits established in
3 paragraph 1 of this subsection during the fiscal years beginning
4 July 1, 2020, July 1, 2021, July 1, 2022, and July 1, 2023, shall
5 not be assessed a general fund balance penalty as provided for in
6 this subsection.

7 10. For purposes of calculating the general fund balance
8 penalty, the terms "carryover" and "general fund balance" shall not
9 include federal revenue.

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

23 I. 1. Beginning July 1, 1996, the Oklahoma Tax Commission,
24 notwithstanding any provision of law to the contrary, shall report

1 monthly to the State Department of Education the monthly
2 apportionment of the following information:

- 3 a. the assessed valuation of property,
- 4 b. motor vehicle collections,
- 5 c. R.E.A. tax collected, and
- 6 d. gross productions tax collected.

7 2. Beginning July 1, 1997, the ~~State Auditor and Inspector's~~
8 Office of the State Auditor and Inspector, notwithstanding any
9 provision of law to the contrary, shall report monthly to the State
10 Department of Education the monthly apportionment of the proceeds of
11 the county levy.

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

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

20 5. The information reported by the Tax Commission, the ~~State~~
21 Auditor and Inspector's Office of the State Auditor and Inspector,
22 the county treasurers' offices, and the Commissioners of the Land
23 Office, pursuant to this subsection shall be reported by a school
24 district on forms developed by the State Department of Education.

1 SECTION 4. This act shall become effective July 1, 2025.

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

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