

1 STATE OF OKLAHOMA

2 2nd Session of the 57th Legislature (2020)

3 COMMITTEE SUBSTITUTE  
4 FOR

5 SENATE BILL 212

By: Stanislawski of the Senate

and

Baker of the House

6  
7  
8  
9 COMMITTEE SUBSTITUTE

10 An Act relating to charter schools; amending 70 O.S.  
11 2011, Section 3-142, as last amended by Section 6,  
12 Chapter 170, O.S.L. 2015 (70 O.S. Supp. 2019, Section  
13 3-142), which relates to charter school funding;  
14 removing requirement for certain calculation for  
15 full-time virtual charter school funding be done each  
16 year; clarifying certain calculation to be done  
17 initially; amending 70 O.S. 2011, Section 18-200.1,  
18 which relates to allocation of State Aid; removing  
19 language regarding calculation of weighted membership  
20 of certain students enrolled in online courses;  
21 removing language regarding calculation of the  
22 Foundation Program for certain students enrolled in  
23 online courses; amending 70 O.S. 2011, Section 18-  
24 201.1, as amended by Section 2, Chapter 228, O.S.L.  
2018 (70 O.S. Supp. 2019, Section 18-201.1), which  
relates to calculation of Foundation Aid; removing  
language regarding calculation of weighted membership  
of certain students enrolled in online courses;  
providing for the weighted calculation for a  
statewide virtual charter school experiencing a  
significant decline in membership; providing  
definition; providing an effective date; and  
declaring an emergency.

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

2 SECTION 1. AMENDATORY 70 O.S. 2011, Section 3-142, as  
3 last amended by Section 6, Chapter 170, O.S.L. 2015 (70 O.S. Supp.  
4 2019, Section 3-142), is amended to read as follows:

5 Section 3-142. A. For purposes of funding, a charter school  
6 sponsored by a board of education of a school district shall be  
7 considered a site within the school district in which the charter  
8 school is located. The student membership of the charter school  
9 shall be considered separate from the student membership of the  
10 district in which the charter school is located for the purpose of  
11 calculating weighted average daily membership pursuant to Section  
12 18-201.1 of this title and State Aid pursuant to Section 18-200.1 of  
13 this title. For charter schools sponsored by a board of education  
14 of a school district, the sum of the separate calculations for the  
15 charter school and the school district shall be used to determine  
16 the total State Aid allocation for the district in which the charter  
17 school is located. A charter school shall receive from the  
18 sponsoring school district, the State Aid allocation and any other  
19 state-appropriated revenue generated by its students for the  
20 applicable year, less up to five percent (5%) of the State Aid  
21 allocation, which may be retained by the school district as a fee  
22 for administrative services rendered. For charter schools sponsored  
23 by the board of education of a technology center school district, a  
24 higher education institution, the State Board of Education, or a

1 federally recognized Indian tribe and for statewide virtual charter  
2 schools sponsored by the Statewide Virtual Charter School Board, the  
3 State Aid allocation for the charter school shall be distributed by  
4 the State Board of Education and not more than five percent (5%) of  
5 the State Aid allocation may be charged by the sponsor as a fee for  
6 administrative services rendered. The State Board of Education  
7 shall determine the policy and procedure for making payments to a  
8 charter school. The fee for administrative services as authorized  
9 in this subsection shall only be assessed on the State Aid  
10 allocation amount and shall not be assessed on any other  
11 appropriated amounts.

12 B. 1. The weighted average daily membership for the first year  
13 of operation of a charter school shall be determined initially by  
14 multiplying the actual enrollment of students as of August 1 by  
15 1.333. The charter school shall receive revenue equal to that which  
16 would be generated by the estimated weighted average daily  
17 membership calculated pursuant to this paragraph. At midyear, the  
18 allocation for the charter school shall be adjusted using the first  
19 quarter weighted average daily membership for the charter school  
20 calculated pursuant to subsection A of this section.

21 2. For the purpose of calculating weighted average daily  
22 membership pursuant to Section 18-201.1 of this title and State Aid  
23 pursuant to Section 18-200.1 of this title, the weighted average  
24 daily membership for the first year of operation ~~and each year~~

1 ~~thereafter~~ of a full-time statewide virtual charter school sponsored  
2 by the Statewide Virtual Charter School Board shall be determined  
3 initially by multiplying the actual enrollment of students as of  
4 August 1 by 1.333. The full-time virtual charter school shall  
5 receive revenue equal to that which would be generated by the  
6 estimated weighted average daily membership calculated pursuant to  
7 this paragraph. At midyear, the allocation for the full-time  
8 statewide virtual charter school shall be adjusted using the first  
9 quarter weighted average daily membership for the virtual charter  
10 school calculated pursuant to subsection A of this section.

11 C. A charter school shall be eligible to receive any other aid,  
12 grants or revenues allowed to other schools. A charter school  
13 sponsored by the board of education of a technology center school  
14 district, a higher education institution, the State Board of  
15 Education, or a federally recognized Indian tribe shall be  
16 considered a local education agency for purposes of funding. A  
17 charter school sponsored by a board of education of a school  
18 district shall be considered a local education agency for purposes  
19 of federal funding.

20 D. A charter school, in addition to the money received from the  
21 state, may receive money from any other source. Any unexpended  
22 funds may be reserved and used for future purposes. The governing  
23 body of a charter school shall not levy taxes or issue bonds. If  
24 otherwise allowed by law, the governing body of a charter school may

1 enter into private contracts for the purposes of borrowing money  
2 from lenders. If the governing body of the charter school borrows  
3 money, the charter school shall be solely responsible for repaying  
4 the debt, and the state or the sponsor shall not in any way be  
5 responsible or obligated to repay the debt.

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

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

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

- 23 1. Student enrollment by grade level;
- 24 2. Pupil category counts; and

1           3. Transportation supplement data.

2           On or before December 30, the State Department of Education  
3 shall determine each school district's current year allocation  
4 pursuant to subsection D of this section. The State Department of  
5 Education shall complete an audit, using procedures established by  
6 the Department, of the student enrollment by grade level data, pupil  
7 category counts and transportation supplement data to be used in the  
8 State Aid Formula pursuant to subsection D of this section by  
9 December 1 and by January 15 shall notify each school district of  
10 the district's final State Aid allocation for the current school  
11 year. The January payment of State Aid and each subsequent payment  
12 for the remainder of the school year shall be based on the final  
13 State Aid allocation as calculated in subsection D of this section.  
14 Except for reductions made due to the assessment of penalties by the  
15 State Department of Education according to law, the January payment  
16 of State Aid and each subsequent payment for the remainder of the  
17 school year shall not decrease by an amount more than the amount  
18 that the current chargeable revenue increases for that district.

19           B. The State Department of Education shall retain not less than  
20 one and one-half percent (1 1/2%) of the total funds appropriated  
21 for financial support of schools, to be used to make midyear  
22 adjustments in State Aid and which shall be reflected in the final  
23 allocations. If the amount of appropriated funds, including the one  
24 and one-half percent (1 1/2%) retained, remaining after January 1 of

1 each year is not sufficient to fully fund the final allocations, the  
2 Department shall recalculate each school district's remaining  
3 allocation pursuant to subsection D of this section using the  
4 reduced amount of appropriated funds.

5 C. On and after July 1, 1997, the amount of State Aid each  
6 district shall receive shall be the sum of the Foundation Aid, the  
7 Salary Incentive Aid and the Transportation Supplement, as adjusted  
8 pursuant to the provisions of subsection G of this section and  
9 Section 18-112.2 of this title; provided, no district having per  
10 pupil revenue in excess of three hundred percent (300%) of the  
11 average per pupil revenue of all districts shall receive any State  
12 Aid or Supplement in State Aid.

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

20 The December calculation of per pupil revenue shall be  
21 determined by dividing the district's preceding year's total  
22 weighted average daily membership (ADM) into the district's  
23 preceding year's total revenues excluding federal revenue, insurance  
24 loss payments, reimbursements, recovery of overpayments and refunds,

1 unused reserves, prior expenditures recovered, prior year surpluses,  
2 and less the amount of any transfer fees paid in that year.

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

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

9 a. The Foundation Program shall be a district's highest  
10 weighted average daily membership based on the first  
11 nine (9) weeks of the current school year, the  
12 preceding school year or the second preceding school  
13 year of a school district, 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. ~~However, for the portion of~~  
18 ~~weighted membership derived from nonresident,~~  
19 ~~transferred pupils enrolled in online courses, the~~  
20 ~~Foundation Program shall be a district's weighted~~  
21 ~~average daily membership of the preceding school year~~  
22 ~~or the first nine (9) weeks of the current school~~  
23 ~~year, whichever is greater, as determined by the~~  
24 ~~provisions of subsection A of Section 18-201.1 of this~~



1 ~~title and paragraphs 1, 2, 3 and 4 of subsection B of~~  
2 ~~Section 18-201.1 of this title, multiplied by the Base~~  
3 ~~Foundation Support Level.~~

4 b. The Foundation Program Income shall be the sum of the  
5 following:

6 (1) The adjusted assessed valuation of the current  
7 school year of the school district, minus the  
8 previous year protested ad valorem tax revenues  
9 held as prescribed in Section 2884 of Title 68 of  
10 the Oklahoma Statutes, multiplied by the mills  
11 levied pursuant to subsection (c) of Section 9 of  
12 Article X of the Oklahoma Constitution, if  
13 applicable, as adjusted in subsection (c) of  
14 Section 8A of Article X of the Oklahoma  
15 Constitution. For purposes of this subsection,  
16 the "adjusted assessed valuation of the current  
17 school year" shall be the adjusted assessed  
18 valuation on which tax revenues are collected  
19 during the current school year, and

20 (2) Seventy-five percent (75%) of the amount received  
21 by the school district from the proceeds of the  
22 county levy during the preceding fiscal year, as  
23 levied pursuant to subsection (b) of Section 9 of  
24 Article X of the Oklahoma Constitution, and

- (3) Motor Vehicle Collections, and
- (4) Gross Production Tax, and
- (5) State Apportionment, and
- (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	

1	.3584 - .3749	\$158.00	1.3215 - 1.5357	\$90.00
2	.3750 - .3916	\$156.00	1.5358 - 1.7499	\$88.00
3	.3917 - .4083	\$154.00	1.7500 - 1.9642	\$86.00
4	.4084 - .4249	\$152.00	1.9643 - 2.1785	\$84.00
5	.4250 - .4416	\$150.00	2.1786 - 2.3928	\$81.00
6	.4417 - .4583	\$147.00	2.3929 - 2.6249	\$79.00
7	.4584 - .4749	\$145.00	2.6250 - 2.8749	\$77.00
8	.4750 - .4916	\$143.00	2.8750 - 3.1249	\$75.00
9	.4917 - .5083	\$141.00	3.1250 - 3.3749	\$73.00
10	.5084 - .5249	\$139.00	3.3750 - 3.6666	\$70.00
11	.5250 - .5416	\$136.00	3.6667 - 3.9999	\$68.00
12	.5417 - .5583	\$134.00	4.0000 - 4.3333	\$66.00
13	.5584 - .5749	\$132.00	4.3334 - 4.6666	\$64.00
14	.5750 - .5916	\$130.00	4.6667 - 4.9999	\$62.00
15	.5917 - .6133	\$128.00	5.0000 - 5.5000	\$59.00
16	.6134 - .6399	\$125.00	5.5001 - 6.0000	\$57.00
17	.6400 - .6666	\$123.00	6.0001 - 6.5000	\$55.00
18	.6667 - .6933	\$121.00	6.5001 - 7.0000	\$53.00
19	.6934 - .7199	\$119.00	7.0001 - 7.3333	\$51.00
20	.7200 - .7466	\$117.00	7.3334 - 7.6667	\$48.00
21	.7467 - .7733	\$114.00	7.6668 - 8.0000	\$46.00
22	.7734 - .7999	\$112.00	8.0001 - 8.3333	\$44.00
23	.8000 - .8266	\$110.00	8.3334 - 8.6667	\$42.00
24	.8267 - .8533	\$108.00	8.6668 - 9.0000	\$40.00

1	.8534 - .8799	\$106.00	9.0001 - 9.3333	\$37.00
2	.8800 - .9066	\$103.00	9.3334 - 9.6667	\$35.00
3	.9067 - .9333	\$101.00	9.6668 or more	\$33.00

4           c.    The formula transportation factor shall be 1.39.

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

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

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

21          c.    Multiply the number of mills levied for general fund  
22                  purposes above the fifteen (15) mills required to  
23                  support Foundation Aid pursuant to division (1) of  
24                  subparagraph b of paragraph 1 of this subsection, not

1 including the county four-mill levy, by the remainder  
2 of subparagraph b of this paragraph. The product  
3 shall be the Salary Incentive Aid of the district.

4 E. By June 30, 1998, the State Department of Education shall  
5 develop and the Department and all school districts shall have  
6 implemented a student identification system which is consistent with  
7 the provisions of subsections C and D of Section 3111 of Title 74 of  
8 the Oklahoma Statutes. The student identification 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 mid-year  
15 adjustments in funding for student growth. This enrollment data  
16 shall be submitted to the State Department of Education in  
17 accordance with rules promulgated by the State Board of Education.  
18 Funding for the development, implementation, personnel training and  
19 maintenance of the student identification system shall be set out in  
20 a separate line item in the allocation section of the appropriation  
21 bill for the State Board of Education for each year.

22 F. 1. In the event that ad valorem taxes of a school district  
23 are determined to be uncollectible because of bankruptcy, clerical  
24 error, or a successful tax protest, and the amount of such taxes

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

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

22 G. 1. Notwithstanding the provisions of Section 18-112.2 of  
23 this title, a school district shall have its State Aid reduced by an  
24 amount equal to the amount of carryover in the general fund of the

1 district as of June 30 of the preceding fiscal year, that is in  
2 excess of the following standards for two (2) consecutive years:

3	Total Amount of	Amount of
4	General Fund Collections,	General Fund
5	Excluding Previous Year	Balance
6	Cash Surplus as of June 30	Allowable
7	Less than \$1,000,000	40%
8	\$1,000,000 - \$2,999,999	35%
9	\$3,000,000 - \$3,999,999	30%
10	\$4,000,000 - \$4,999,999	25%
11	\$5,000,000 - \$5,999,999	20%
12	\$6,000,000 - \$7,999,999	18%
13	\$8,000,000 - \$9,999,999	16%
14	\$10,000,000 or more	14%

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

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

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

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

19 5. If a school district does not receive Foundation and/or  
20 Salary Incentive Aid during the preceding fiscal year, the State  
21 Board of Education may waive the penalty assessed in this subsection  
22 if the penalty would result in a loss of more than forty percent  
23 (40%) of the remaining State Aid to be allocated to the school  
24 district between April 1 and the remainder of the school year and if



1 the Board determines the penalty will cause the school district not  
2 to meet remaining financial obligations.

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

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

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

1           9. 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 3.           AMENDATORY           70 O.S. 2011, Section 18-201.1, as  
19 amended by Section 2, Chapter 228, O.S.L. 2018 (70 O.S. Supp. 2019,  
20 Section 18-201.1), is amended to read as follows:

21           Section 18-201.1. A. Beginning with the ~~1997-98~~ 2020-21 school  
22 year, and each school year thereafter, the weighted membership of a  
23 school district for calculation of Foundation Aid purposes pursuant  
24 to paragraph 1 of subsection D of Section 18-200.1 of this title

1 shall 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 weighted calculations provided for in subsection A of  
11 this section shall be based on the highest weighted average daily  
12 membership of the first nine (9) weeks of the current school year,  
13 the preceding school year or the second preceding school year of a  
14 school district, unless otherwise specified. The highest of the  
15 three (3) weighted average daily memberships shall be used  
16 consistently in all of the calculations; however, ~~the portion of~~  
17 ~~weighted membership derived from nonresident, transferred pupils~~  
18 ~~enrolled in online courses shall be based on the weighted average~~  
19 ~~daily membership of the first nine (9) weeks of the current school~~  
20 year the weighted calculation for a statewide virtual charter school  
21 experiencing a significant decline in membership shall be based on  
22 the first nine (9) weeks of the current school year and not on the  
23 preceding school year or the second preceding school year for the  
24 statewide virtual charter school. For purposes of this subsection,

1 "significant decline in membership" means equal to or greater than a  
2 fifteen percent (15%) decrease in average daily membership from the  
3 preceding school year to the average daily membership of the first  
4 nine (9) weeks of the current school year. The average daily  
5 membership data used for all calculations in paragraphs 1, 2, 3 and  
6 4 of this subsection shall be the same as used in the calculation of  
7 the State Aid Formula. The weighted calculations provided for in  
8 subsection A of this section shall be determined as follows:

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

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

23 Multiply the membership of each subparagraph of this paragraph by  
24 the weight assigned to such subparagraph of this paragraph and add

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

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

20	CATEGORY	WEIGHT
21	a. Visual Impairment	3.8
22	b. Specific Learning Disability	.4
23	c. Deafness or Hearing Impairment	2.9
24	d. Deaf-Blindness	3.8

1	e.	Intellectual Disability	1.3
2	f.	Emotional Disturbance	2.5
3	g.	Gifted	.34
4	h.	Multiple Disabilities	2.4
5	i.	Orthopedic Impairment	1.2
6	j.	Speech or Language Impairment	.05
7	k.	Bilingual	.25
8	l.	Special Education Summer Program	1.2
9	m.	Economically Disadvantaged	.25
10	n.	Optional Extended School Year	
11		Program	As determined by
12			the State Board
13			of Education
14	o.	Autism	2.4
15	p.	Traumatic Brain Injury	2.4
16	q.	Other Health Impairment	1.2

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

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

20 3. The weighted district calculation shall be determined by  
21 determining the calculations for each school district for both the  
22 small school district formula and the district sparsity - isolation  
23 formula, applying whichever is the greater of the calculations of  
24



1 the two formulas and then applying the restrictions pursuant to  
2 subparagraph c of this paragraph.

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

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

23 b. District sparsity - isolation formula:  
24

1 The district sparsity - isolation formula calculation shall  
2 apply only to school districts:

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

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

11 The district sparsity - isolation formula calculation shall  
12 be calculated as follows:

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

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

22 The school district's average daily membership shall  
23 be categorized into the following grade level groups  
24

1 and applied to the appropriate formulas as computed  
2 below:

3 Grade Level Group

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

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

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

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

23 The school district area cost factor shall be calculated as  
24 follows:

1 Subtract the state average district area from the  
2 district area, then divide the remainder by the state  
3 average district area;

4 however, the district area cost factor shall not exceed one  
5 (1.0).

6 The State Board of Education shall define geographical barriers  
7 whose location in a school district would inhibit the district from  
8 consolidation or annexation. The Board shall make available an  
9 application process, review applications, and for districts the  
10 Board deems necessary allow additional square miles to be used for  
11 the purposes of calculations used for the weighted district sparsity  
12 - isolation formula. Provided, that the additional square miles  
13 allowed for geographical barriers shall not exceed thirty percent  
14 (30%) of the district's actual size.

15 c. State Aid funds which a district is calculated to  
16 receive as a result of the weighted district  
17 calculation shall be restricted as follows:

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

1                   percent (150%) of the projected state average per  
2                   pupil revenue. Provided, in applying the  
3                   restriction provided in this division, the  
4                   district's State Aid shall not be reduced by an  
5                   amount greater than by the amount of State Aid  
6                   which was generated by the weighted district  
7                   calculation.

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

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

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

1 4. The weighted teacher experience and degree calculation shall  
 2 be determined in accordance with the teacher experience and degree  
 3 index. The State Department of Education shall determine an index  
 4 for each state teacher by using data supplied in the school  
 5 district's teacher personnel reports of the preceding year and  
 6 utilizing the index as follows:

7 TEACHER EXPERIENCE - DEGREE INDEX

8 EXPERIENCE	BACHELOR'S	MASTER'S	DOCTOR'S
9	DEGREE	DEGREE	DEGREE
10 0 - 2	.7	.9	1.1
11 3 - 5	.8	1.0	1.2
12 6 - 8	.9	1.1	1.3
13 9 - 11	1.0	1.2	1.4
14 12 - 15	1.1	1.3	1.5
15 Over 15	1.2	1.4	1.6

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

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

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.

6

7 57-2-3907 EB 2/26/2020 3:48:32 PM

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24