

1 STATE OF OKLAHOMA

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

3 CONFERENCE COMMITTEE SUBSTITUTE

4 FOR ENGROSSED

5 SENATE BILL 229

By: Montgomery, Taylor, Garvin,  
Stephens and Rogers of the  
Senate

6 and

7 Hilbert, Fetgatter, Lawson,  
8 Caldwell (Trey), Baker,  
9 Lowe (Dick), Davis, Moore,  
10 Hasenbeck, Cornwell, Boles,  
11 Pae, Provenzano,  
12 Rosecrants, Phillips,  
13 Waldron, Johns, Conley,  
14 West (Tammy), Hill and  
15 McEntire of the House

16 CONFERENCE COMMITTEE SUBSTITUTE

17 An Act relating to school funding; creating the  
18 Redbud School Funding Act; amending Section 7, State  
19 Question No. 788, Initiative Petition No. 412 (63  
20 O.S. Supp. 2020, Section 426), which relates to taxes  
21 on medical marijuana retail sales; modifying  
22 apportionment; amending 68 O.S. 2011, Section 1353,  
23 as last amended by Section 1, Chapter 15, O.S.L. 2020  
24 (68 O.S. Supp. 2020, Section 1353), which relates to  
sales tax revenue; directing apportionment to State  
Public Common School Building Equalization Fund if  
certain conditions apply; setting maximum  
apportionment amount; amending 70 O.S. 2011, Section  
1-111, as last amended by Section 1, Chapter 135,  
O.S.L. 2016 (70 O.S. Supp. 2020, Section 1-111),  
which relates to school day instruction; providing  
for blended instruction; defining term; amending 70  
O.S. 2011, Section 3-104, as last amended by Section  
1, Chapter 271, O.S.L. 2013 (70 O.S. Supp. 2020,  
Section 3-104), which relates to the State Board of

1 Education; removing limitation on certain use of  
2 funds; updating definition; removing certain grant  
3 procedures; directing the State Board of Education to  
4 disburse redbud school grants annually; requiring  
5 promulgation of rules; permitting reservation of  
6 certain funds for administrative purposes;  
7 establishing calculation for redbud school grants;  
8 providing for apportionment to fund redbud school  
9 grants; specifying procedures for insufficient funds;  
10 defining term; directing the State Department of  
11 Education to acknowledge grant recipients; directing  
12 the Department to publish certain information on its  
13 website; requiring certain annual notification of  
14 grant allocation estimate; amending 70 O.S. 2011,  
15 Section 3-104.4, as last amended by Section 64,  
16 Chapter 161, O.S.L. 2020 (70 O.S. Supp. 2020, Section  
17 3-104.4), which relates to school accreditation  
18 standards; including certain funds in calculation of  
19 certain appropriations; amending 70 O.S. 2011,  
20 Section 3-142, as last amended by Section 9 of  
21 Enrolled Senate Bill No. 1064 of the 1st Session of  
22 the 58th Oklahoma Legislature (70 O.S. Supp. 2020,  
23 Section 3-142), which relates to charter school  
24 funding; modifying calculation of State Aid for a  
charter school; directing the student membership and  
attendance of a charter school be considered separate  
from that of its sponsor; providing for charter  
school to receive its State Aid allocation and  
federal funds directly; removing distinction between  
different types of charter school sponsors authorized  
to retain certain fee; providing exception for  
charter school aid eligibility; requiring charter  
school to be considered a local education agency for  
funding purposes; amending 70 O.S. 2011, Section 10-  
103.1, which relates to legal average daily  
attendance calculation; excluding the average daily  
attendance of charter school students in calculating  
the legal average daily attendance for certain  
distributions; providing for noncodification; and  
declaring an emergency.

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

1 SECTION 1. NEW LAW A new section of law not to be  
2 codified in the Oklahoma Statutes reads as follows:

3 This act shall be known and may be cited as the "Redbud School  
4 Funding Act".

5 SECTION 2. AMENDATORY Section 7, State Question No. 788,  
6 Initiative Petition No. 412 (63 O.S. Supp. 2020, Section 426), is  
7 amended to read as follows:

8 Section 426. A. The tax on retail medical marijuana sales will  
9 be established at seven percent (7%) of the gross amount received by  
10 the seller.

11 B. This tax will be collected at the point of sale. ~~Tax~~ Except  
12 as provided for in subsection D, tax proceeds will be applied  
13 primarily to finance the regulatory office.

14 C. ~~If~~ Except as provided for in subsection D, if proceeds from  
15 the levy authorized by subsection A of this section exceed the  
16 budgeted amount for running the regulatory office, any surplus shall  
17 be apportioned with seventy-five percent (75%) going to the General  
18 Revenue Fund and may only be expended for common education including  
19 funding redbud school grants pursuant to Section 3-104 of Title 70  
20 of the Oklahoma Statutes. Twenty-five percent (25%) shall be  
21 apportioned to the Oklahoma State Department of Health and earmarked  
22 for drug and alcohol rehabilitation.

23 D. For fiscal year 2022, proceeds from the levy authorized by  
24 subsection A of this section shall be apportioned as follows:

1       1. The first Sixty-five Million Dollars (\$65,000,000.00) shall  
2 be apportioned as follows:

3           a. fifty-nine and twenty-three hundredths percent  
4           (59.23%) to the State Public Common School Building  
5           Equalization Fund,

6           b. thirty-four and sixty-two hundredths percent (34.62%)  
7           to the Oklahoma Medical Marijuana Authority, a  
8           division within the Oklahoma State Department of  
9           Health, and

10          c. six and fifteen hundredths percent (6.15%) to the  
11          Oklahoma State Department of Health and earmarked for  
12          drug and alcohol rehabilitation; and

13       2. Any surplus collections shall be apportioned to the General  
14 Revenue Fund of the State Treasury.

15       SECTION 3.        AMENDATORY        68 O.S. 2011, Section 1353, as  
16 last amended by Section 1, Chapter 15, O.S.L. 2020 (68 O.S. Supp.  
17 2020, Section 1353), is amended to read as follows:

18       Section 1353. A. It is hereby declared to be the purpose of  
19 the Oklahoma Sales Tax Code to provide funds for the financing of  
20 the program provided for by the Oklahoma Social Security Act and to  
21 provide revenues for the support of the functions of the state  
22 government of Oklahoma, and for this purpose it is hereby expressly  
23 provided that, revenues derived pursuant to the provisions of the  
24 Oklahoma Sales Tax Code, subject to the apportionment requirements

1 for the Oklahoma Tax Commission and Office of Management and  
2 Enterprise Services Joint Computer Enhancement Fund provided by  
3 Section 265 of this title, shall be apportioned as follows:

4 1. Except as provided in ~~subsection~~ subsections C and D of this  
5 section, the following amounts shall be paid to the State Treasurer  
6 to be placed to the credit of the General Revenue Fund to be paid  
7 out pursuant to direct appropriation by the Legislature:

8 Fiscal Year	Amount
9 FY 2003 and FY 2004	86.04%
10 FY 2005	85.83%
11 FY 2006	85.54%
12 FY 2007	85.04%
13 FY 2008 through FY 2022	83.61%
14 FY 2023 through FY 2027	83.11%
15 FY 2028 and each fiscal year thereafter	83.61%;

16 2. The following amounts shall be paid to the State Treasurer  
17 to be placed to the credit of the Education Reform Revolving Fund of  
18 the State Department of Education:

- 19 a. for FY 2003, FY 2004 and FY 2005, ten and forty-two  
20 one-hundredths percent (10.42%),
- 21 b. for FY 2006 through FY 2020, ten and forty-six one-  
22 hundredths percent (10.46%),
- 23 c. for FY 2021:

24

(1) for the month beginning July 1, 2020, through the month ending August 31, 2020, ten and forty-six one-hundredths percent (10.46%), and

(2) for the month beginning September 1, 2020, through the month ending June 30, 2021, eleven and ninety-six one-hundredths percent (11.96%),

d. for FY 2022, eleven and seventy-one one-hundredths percent (11.71%), and

e. for FY 2023 and each fiscal year thereafter, ten and forty-six one-hundredths percent (10.46%);

3. The following amounts shall be paid to the State Treasurer to be placed to the credit of the Teachers' Retirement System Dedicated Revenue Revolving Fund:

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%
FY 2007	4.5%
FY 2008 through FY 2020	5.0%
FY 2021:	
a. for the month beginning July 1, 2020, through the month ending August 31, 2020	5.0%

b. for the month beginning  
September 1, 2020, through  
the month ending June 30,  
2021

	3.5%
FY 2022	3.75%
FY 2023 through FY 2027	5.5%
FY 2028 and each fiscal year thereafter	5.0%

4. a. except as otherwise provided in subparagraph b of this paragraph, for the fiscal year beginning July 1, 2015, and for each fiscal year thereafter, eighty-seven one-hundredths percent (0.87%) shall be paid to the State Treasurer to be further apportioned as follows:

(1) thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion Revolving Fund, but in no event shall such apportionment exceed Five Million Dollars (\$5,000,000.00) in any fiscal year, and

(2) sixty-four percent (64%) shall be placed to the credit of the Oklahoma Tourism Capital Improvement Revolving Fund, but in no event shall such apportionment exceed Nine Million Dollars (\$9,000,000.00) in any fiscal year, and

1           b.    any amounts which exceed the limitations of  
2                    subparagraph a of this paragraph shall be placed to  
3                    the credit of the General Revenue Fund; and

4           5.    For the fiscal year beginning July 1, 2015, and for each  
5   fiscal year thereafter, six one-hundredths percent (0.06%) shall be  
6   placed to the credit of the Oklahoma Historical Society Capital  
7   Improvement and Operations Revolving Fund, but in no event shall  
8   such apportionment exceed the total amount apportioned pursuant to  
9   this paragraph for the fiscal year ending on June 30, 2015. Any  
10   amounts which exceed the limitations of this paragraph shall be  
11   placed to the credit of the General Revenue Fund.

12           B.    Provided, for the fiscal year beginning July 1, 2007, and  
13   every fiscal year thereafter, an amount of revenue shall be  
14   apportioned to each municipality or county which levies a sales tax  
15   subject to the provisions of Section 1357.10 of this title and  
16   subsection F of Section 2701 of this title equal to the amount of  
17   sales tax revenue of such municipality or county exempted by the  
18   provisions of Section 1357.10 of this title and subsection F of  
19   Section 2701 of this title. The Oklahoma Tax Commission shall  
20   promulgate and adopt rules necessary to implement the provisions of  
21   this subsection.

22           C.    From the monies that would otherwise be apportioned to the  
23   General Revenue Fund pursuant to subsection A of this section, there  
24   shall be apportioned the following amounts:



1 1. For the month ending August 31, 2019:

2 a. Nine Million Six Hundred Thousand Dollars

3 (\$9,600,000.00) to the credit of the State Highway  
4 Construction and Maintenance Fund created in Section  
5 1501 of Title 69 of the Oklahoma Statutes, and

6 b. Two Million Dollars (\$2,000,000.00) to the credit of  
7 the Oklahoma Railroad Maintenance Revolving Fund  
8 created in Section 309 of Title 66 of the Oklahoma  
9 Statutes;

10 2. For the month ending September 30, 2019:

11 a. Twenty Million Dollars (\$20,000,000.00) to the credit  
12 of the State Highway Construction and Maintenance Fund  
13 created in Section 1501 of Title 69 of the Oklahoma  
14 Statutes, and

15 b. Two Million Dollars (\$2,000,000.00) to the credit of  
16 the Oklahoma Railroad Maintenance Revolving Fund  
17 created in Section 309 of Title 66 of the Oklahoma  
18 Statutes;

19 3. For the month ending October 31, 2019:

20 a. Twenty Million Dollars (\$20,000,000.00) to the credit  
21 of the State Highway Construction and Maintenance Fund  
22 created in Section 1501 of Title 69 of the Oklahoma  
23 Statutes, and

24

1           b.    Two Million Dollars (\$2,000,000.00) to the credit of  
2                    the Oklahoma Railroad Maintenance Revolving Fund  
3                    created in Section 309 of Title 66 of the Oklahoma  
4                    Statutes;

5       4.   For the month ending November 30, 2019:

6           a.    Twenty Million Dollars (\$20,000,000.00) to the credit  
7                    of the State Highway Construction and Maintenance Fund  
8                    created in Section 1501 of Title 69 of the Oklahoma  
9                    Statutes, and

10          b.    Two Million Dollars (\$2,000,000.00) to the credit of  
11                    the Oklahoma Railroad Maintenance Revolving Fund  
12                    created in Section 309 of Title 66 of the Oklahoma  
13                    Statutes; and

14       5.   For the month ending December 31, 2019:

15           a.    Twenty Million Dollars (\$20,000,000.00) to the credit  
16                    of the State Highway Construction and Maintenance Fund  
17                    created in Section 1501 of Title 69 of the Oklahoma  
18                    Statutes, and

19          b.    Two Million Dollars (\$2,000,000.00) to the credit of  
20                    the Oklahoma Railroad Maintenance Revolving Fund  
21                    created in Section 309 of Title 66 of the Oklahoma  
22                    Statutes.

23       D.   For fiscal year 2023, and each subsequent fiscal year,

24       before any other apportionment otherwise required by this section is

1 made to the General Revenue Fund, there shall be apportioned to the  
2 State Public Common School Building Equalization Fund an amount, if  
3 any, as required pursuant to Section 3-104 of Title 70 of the  
4 Oklahoma Statutes, not to exceed the state sales tax generated by  
5 medical marijuana sales in the preceding fiscal year as reported by  
6 the Oklahoma Tax Commission.

7 SECTION 4. AMENDATORY 70 O.S. 2011, Section 1-111, as  
8 last amended by Section 1, Chapter 135, O.S.L. 2016 (70 O.S. Supp.  
9 2020, Section 1-111), is amended to read as follows:

10 Section 1-111. A. Except as otherwise provided for by law, a  
11 school day shall consist of not less than six (6) hours devoted to  
12 school activities. A district board of education may elect to  
13 extend the length of one (1) or more school days to more than six  
14 (6) hours and reduce the number of school days as long as the total  
15 amount of classroom instruction time is not less than one thousand  
16 eighty (1,080) hours per year as required pursuant to Section 1-109  
17 of this title.

18 B. A school day for nursery, early childhood education,  
19 kindergarten, and alternative education programs shall be as  
20 otherwise defined by law or as defined by the State Board of  
21 Education. Except as otherwise provided for in this subsection, not  
22 more than one (1) school day shall be counted for attendance  
23 purposes in any twenty-four-hour period. Two (2) school days, each  
24 consisting of not less than six (6) hours, may be counted for

1 attendance purposes in any twenty-four-hour period only if one of  
2 the school days is for the purpose of parent-teacher conferences  
3 held as provided for in Section 1-109 of this title.

4 C. Students absent from school in which they are regularly  
5 enrolled may be considered as being in attendance if the reason for  
6 such absence is to participate in scheduled school activities under  
7 the direction and supervision of a regular member of the faculty or  
8 to participate in an online course approved by the district board of  
9 education. The State Board of Education shall adopt rules to  
10 provide for the implementation of supplemental online courses which  
11 shall include, but not be limited to, provisions addressing the  
12 following:

- 13 1. Criteria for student admissions eligibility;
- 14 2. A student admission process administered through the  
15 district of residence, which provides the ability for the student to  
16 enroll in individual courses;
- 17 3. A process by which students are not denied the opportunity  
18 to enroll in educationally appropriate courses by school districts.  
19 For the purposes of this section, "educationally appropriate" means  
20 any instruction that is not substantially a repeat of a course or  
21 portion of a course that the student has successfully completed,  
22 regardless of the grade of the student, and regardless of whether a  
23 course is similar to or identical to the instruction that is  
24 currently offered in the school district;

- 1       4. Creation of a system which provides ongoing enrollment  
2 access for students throughout the school year;
  - 3       5. A grace period of fifteen (15) calendar days from the first  
4 day of an online course for student withdrawal from an online course  
5 without academic penalty;
  - 6       6. Mastery of competencies for course completion rather than  
7 Carnegie units;
  - 8       7. Student participation in extracurricular activities in  
9 accordance with school district eligibility rules and policies and  
10 any rules and policies of a private organization or association  
11 which provides the coordination, supervision, and regulation of the  
12 interscholastic activities and contests of schools;
  - 13       8. Parent authorization for release of state test results to  
14 online course providers, on a form developed by the State Department  
15 of Education; and
  - 16       9. A review process to identify and certify online course  
17 providers and a uniform payment processing system.
- 18       D. Each district board of education shall adopt policies and  
19 procedures that conform to rules for online courses as adopted by  
20 the State Board. Such policies shall include criteria for approval  
21 of the course, the appropriateness of the course for a particular  
22 student, authorization for full-time students to enroll in online  
23 courses, and establishing fees or charges. No district shall be  
24 liable for payment of any fees or charges for any online course for

1 a student who has not complied with the district's policies and  
2 procedures. School districts shall not deny students the  
3 opportunity to enroll in educationally appropriate courses and shall  
4 provide an admissions process which includes input from the student,  
5 the parent or guardian of the student, and school faculty.

6 E. Districts shall require students enrolled in online courses  
7 to participate in the Oklahoma School Testing Program Act. Students  
8 participating in online courses from a remote site will be  
9 responsible for providing their own equipment and Internet access,  
10 unless the district chooses to provide the equipment. Credit may  
11 not be granted for such courses except upon approval of the State  
12 Board of Education and the district board of education.

13 F. Districts may provide students with opportunities for  
14 blended instruction. "Blended instruction" shall mean a combination  
15 of brick-and-mortar learning and virtual learning environments that  
16 includes elements of a student's control over place, pace and path  
17 of learning. A student in blended instruction may work on virtual  
18 courses at home or at school in a blended flex lab but shall  
19 participate in at least one unit or set of competencies as defined  
20 by Section 11-103.6 of this title at a physical school building in a  
21 traditional classroom setting which is the academic equivalent of  
22 one (1) hour per day for each instructional day in the school year  
23 as defined by Section 1-109 of this title.

24

1        G. The school day for kindergarten may consist of six (6) hours  
2 devoted to school activities.

3        SECTION 5.        AMENDATORY        70 O.S. 2011, Section 3-104, as  
4 last amended by Section 1, Chapter 271, O.S.L. 2013 (70 O.S. Supp.  
5 2020, Section 3-104), is amended to read as follows:

6        Section 3-104.    A. The supervision of the public school system  
7 of Oklahoma shall be vested in the State Board of Education and,  
8 subject to limitations otherwise provided by law, the State Board of  
9 Education shall:

10        1. Adopt policies and make rules for the operation of the  
11 public school system of the state;

12        2. Appoint, prescribe the duties and fix the compensation of a  
13 secretary, an attorney and all other personnel necessary for the  
14 proper performance of the functions of the State Board of Education.  
15 The secretary shall not be a member of the Board;

16        3. Submit to the Governor a departmental budget based upon  
17 major functions of the Department as prepared by the State  
18 Superintendent of Public Instruction and supported by detailed data  
19 on needs and proposed operations as partially determined by the  
20 budgetary needs of local school districts filed with the State Board  
21 of Education for the ensuing fiscal year. Appropriations therefor  
22 shall be made in lump-sum form for each major item in the budget as  
23 follows:

24        a. State Aid to schools,

- 1           b. the supervision of all other functions of general and  
2           special education including general control, free  
3           textbooks, school lunch, Indian education and all  
4           other functions of the Board and an amount sufficient  
5           to adequately staff and administer these services, and  
6           c. the Board shall determine the details by which the  
7           budget and the appropriations are administered.  
8           Annually, the Board shall make preparations to  
9           consolidate all of the functions of the Department in  
10          such a way that the budget can be based on two items,  
11          administration and aid to schools. A maximum amount  
12          for administration shall be designated as a part of  
13          the total appropriation;

14          4. On the first day of December preceding each regular session  
15 of the Legislature, prepare and deliver to the Governor and the  
16 Legislature a report for the year ending June 30 immediately  
17 preceding the regular session of the Legislature. The report shall  
18 contain:

- 19           a. detailed statistics and other information concerning  
20           enrollment, attendance, expenditures including State  
21           Aid, and other pertinent data for all public schools  
22           in this state,  
23           b. reports from each and every division within the State  
24           Department of Education as submitted by the State



1 Superintendent of Public Instruction and any other  
2 division, department, institution or other agency  
3 under the supervision of the Board,

4 c. recommendations for the improvement of the public  
5 school system of the state,

6 d. a statement of the receipts and expenditures of the  
7 State Board of Education for the past year, and

8 e. a statement of plans and recommendations for the  
9 management and improvement of public schools and such  
10 other information relating to the educational  
11 interests of the state as may be deemed necessary and  
12 desirable;

13 5. Provide for the formulation and adoption of curricula,  
14 courses of study and other instructional aids necessary for the  
15 adequate instruction of pupils in the public schools;

16 6. Have authority in matters pertaining to the licensure and  
17 certification of persons for instructional, supervisory and  
18 administrative positions and services in the public schools of the  
19 state subject to the provisions of Section 6-184 of this title, and  
20 shall formulate rules governing the issuance and revocation of  
21 certificates for superintendents of schools, principals,  
22 supervisors, librarians, clerical employees, school nurses, school  
23 bus drivers, visiting teachers, classroom teachers and for other  
24 personnel performing instructional, administrative and supervisory

1 services, but not including members of boards of education and other  
2 employees who do not work directly with pupils, and may charge and  
3 collect reasonable fees for the issuance of such certificates:

- 4 a. the State Department of Education shall not issue a  
5 certificate to and shall revoke the certificate of any  
6 person who has been convicted, whether upon a verdict  
7 or plea of guilty or upon a plea of nolo contendere,  
8 or received a suspended sentence or any probationary  
9 term for a crime or an attempt to commit a crime  
10 provided for in Section 843.5 of Title 21 of the  
11 Oklahoma Statutes if the offense involved sexual abuse  
12 or sexual exploitation as those terms are defined in  
13 Section 1-1-105 of Title 10A of the Oklahoma Statutes,  
14 ~~Sections~~ Section 741, 843.1, if the offense included  
15 sexual abuse or sexual exploitation, 865 et seq., 885,  
16 888, 891, 1021, 1021.2, 1021.3, 1040.13a, 1087, 1088,  
17 1111.1, 1114 or 1123 of Title 21 of the Oklahoma  
18 Statutes or who enters this state and who has been  
19 convicted, received a suspended sentence or received a  
20 deferred judgment for a crime or attempted crime  
21 which, if committed or attempted in this state, would  
22 be a crime or an attempt to commit a crime provided  
23 for in any of said laws,

1           b.   all funds collected by the State Department of  
2           Education for the issuance of certificates to  
3           instructional, supervisory and administrative  
4           personnel in the public schools of the state shall be  
5           deposited in the "Teachers' Certificate Fund" in the  
6           State Treasury and may be expended by the State Board  
7           of Education to finance the activities of the State  
8           Department of Education necessary to administer the  
9           program, for consultative services, publication costs,  
10          actual and necessary travel expenses as provided in  
11          the State Travel Reimbursement Act incurred by persons  
12          performing research work, and other expenses found  
13          necessary by the State Board of Education for the  
14          improvement of the preparation and certification of  
15          teachers in Oklahoma.  Provided, any unobligated  
16          balance in the Teachers' Certificate Fund in excess of  
17          Ten Thousand Dollars (\$10,000.00) on June 30 of any  
18          fiscal year shall be transferred to the General  
19          Revenue Fund of the State of Oklahoma.  Until July 1,  
20          1997, the State Board of Education shall have  
21          authority for approval of teacher education programs.  
22          The State Board of Education shall also have authority  
23          for the administration of teacher residency and  
24

1 professional development, subject to the provisions of  
2 the Oklahoma Teacher Preparation Act;

3 7. Promulgate rules governing the classification, inspection,  
4 supervision and accrediting of all public nursery, kindergarten,  
5 elementary and secondary schools and on-site educational services  
6 provided by public school districts or state-accredited private  
7 schools in partial hospitalization programs, day treatment programs,  
8 and day hospital programs as defined in this act for persons between  
9 the ages of three (3) and twenty-one (21) years of age in the state.  
10 However, no school shall be denied accreditation solely on the basis  
11 of average daily attendance.

12 Any school district which maintains an elementary school and  
13 faces the necessity of relocating its school facilities because of  
14 construction of a lake, either by state or federal authority, which  
15 will inundate the school facilities, shall be entitled to receive  
16 probationary accreditation from the State Board of Education for a  
17 period of five (5) years after the effective date of this act and  
18 any school district, otherwise qualified, shall be entitled to  
19 receive probationary accreditation from the State Board of Education  
20 for a period of two (2) consecutive years to attain the minimum  
21 average daily attendance. The Head Start and public nurseries or  
22 kindergartens operated from Community Action Program funds shall not  
23 be subjected to the accrediting rules of the State Board of  
24 Education. Neither will the State Board of Education make rules

1 affecting the operation of the public nurseries and kindergartens  
2 operated from federal funds secured through Community Action  
3 Programs even though they may be operating in the public schools of  
4 the state. However, any of the Head Start or public nurseries or  
5 kindergartens operated under federal regulations may make  
6 application for accrediting from the State Board of Education but  
7 will be accredited only if application for the approval of the  
8 programs is made. The status of no school district shall be changed  
9 which will reduce it to a lower classification until due notice has  
10 been given to the proper authorities thereof and an opportunity  
11 given to correct the conditions which otherwise would be the cause  
12 of such reduction.

13 Private and parochial schools may be accredited and classified  
14 in like manner as public schools or, if an accrediting association  
15 is approved by the State Board of Education, by procedures  
16 established by the State Board of Education to accept accreditation  
17 by such accrediting association, if application is made to the State  
18 Board of Education for such accrediting;

19 8. Be the legal agent of the State of Oklahoma to accept, in  
20 its discretion, the provisions of any Act of Congress appropriating  
21 or apportioning funds which are now, or may hereafter be, provided  
22 for use in connection with any phase of the system of public  
23 education in Oklahoma. It shall prescribe such rules as it finds  
24

1 necessary to provide for the proper distribution of such funds in  
2 accordance with the state and federal laws;

3 9. Be and is specifically hereby designated as the agency of  
4 this state to cooperate and deal with any officer, board or  
5 authority of the United States Government under any law of the  
6 United States which may require or recommend cooperation with any  
7 state board having charge of the administration of public schools  
8 unless otherwise provided by law;

9 10. Be and is hereby designated as the "State Educational  
10 Agency" referred to in Public Law 396 of the 79th Congress of the  
11 United States, which law states that said act may be cited as the  
12 "National School Lunch Act", and said State Board of Education is  
13 hereby authorized and directed to accept the terms and provisions of  
14 said act and to enter into such agreements, not in conflict with the  
15 Constitution of Oklahoma or the Constitution and Statutes of the  
16 United States, as may be necessary or appropriate to secure for the  
17 State of Oklahoma the benefits of the school lunch program  
18 established and referred to in said act;

19 11. Have authority to secure and administer the benefits of the  
20 National School Lunch Act, Public Law 396 of the 79th Congress of  
21 the United States, in the State of Oklahoma and is hereby authorized  
22 to employ or appoint and fix the compensation of such additional  
23 officers or employees and to incur such expenses as may be necessary  
24 for the accomplishment of the above purpose, administer the

1 distribution of any state funds appropriated by the Legislature  
2 required as federal matching to reimburse on children's meals;

3 12. Accept and provide for the administration of any land,  
4 money, buildings, gifts, donation or other things of value which may  
5 be offered or bequeathed to the schools under the supervision or  
6 control of said Board;

7 13. Have authority to require persons having administrative  
8 control of all school districts in Oklahoma to make such regular and  
9 special reports regarding the activities of the schools in said  
10 districts as the Board may deem needful for the proper exercise of  
11 its duties and functions. Such authority shall include the right of  
12 the State Board of Education to withhold all state funds under its  
13 control, to withhold official recognition, including accrediting,  
14 until such required reports have been filed and accepted in the  
15 office of said Board and to revoke the certificates of persons  
16 failing or refusing to make such reports;

17 14. Have general supervision of the school lunch program. The  
18 State Board of Education may sponsor workshops for personnel and  
19 participants in the school lunch program and may develop, print and  
20 distribute free of charge or sell any materials, books and bulletins  
21 to be used in such school lunch programs. There is hereby created  
22 in the State Treasury a revolving fund for the Board, to be  
23 designated the School Lunch Workshop Revolving Fund. The fund shall  
24 consist of all fees derived from or on behalf of any participant in

1 any such workshop sponsored by the State Board of Education, or from  
2 the sale of any materials, books and bulletins, and such funds shall  
3 be disbursed for expenses of such workshops and for developing,  
4 printing and distributing of such materials, books and bulletins  
5 relating to the school lunch program. The fund shall be  
6 administered in accordance with Section 155 of Title 62 of the  
7 Oklahoma Statutes;

8 15. Prescribe all forms for school district and county officers  
9 to report to the State Board of Education where required. The State  
10 Board of Education shall also prescribe a list of appropriation  
11 accounts by which the funds of school districts shall be budgeted,  
12 accounted for and expended; and it shall be the duty of the State  
13 Auditor and Inspector in prescribing all budgeting, accounting and  
14 reporting forms for school funds to conform to such lists;

15 16. Provide for the establishment of a uniform system of pupil  
16 and personnel accounting, records and reports;

17 17. Have authority to provide for the health and safety of  
18 school children and school personnel while under the jurisdiction of  
19 school authorities;

20 18. Provide for the supervision of the transportation of  
21 pupils;

22 19. Have authority, upon request of the local school board, to  
23 act in behalf of the public schools of the state in the purchase of  
24 transportation equipment;



1       20. Have authority and is hereby required to perform all duties  
2 necessary to the administration of the public school system in  
3 Oklahoma as specified in the Oklahoma School Code; and, in addition  
4 thereto, those duties not specifically mentioned herein if not  
5 delegated by law to any other agency or official;

6       21. Administer the State Public Common School Building  
7 Equalization Fund established by Section 32 of Article X of the  
8 Oklahoma Constitution. Any monies as may be appropriated or  
9 designated by the Legislature, other than ad valorem taxes, any  
10 other funds identified by the State Department of Education, which  
11 may include, but not be limited to, grants-in-aid from the federal  
12 government for building purposes, the proceeds of all property that  
13 shall fall to the state by escheat, penalties for unlawful holding  
14 of real estate by corporations, and capital gains on assets of the  
15 permanent school funds, shall be deposited in the State Public  
16 Common School Building Equalization Fund. The fund shall be used to  
17 aid school districts and charter schools in acquiring buildings,  
18 subject to the limitations fixed by Section 32 of Article X of the  
19 Oklahoma Constitution. It is hereby declared that the term  
20 "acquiring buildings" as used in Section 32 of Article X of the  
21 Oklahoma Constitution shall mean acquiring or improving school  
22 sites, constructing, repairing, remodeling or equipping buildings,  
23 or acquiring school furniture, fixtures, or equipment. ~~For charter~~  
24 ~~schools, the fund shall only be used to acquire buildings in which~~

1 ~~students enrolled in the charter school will be attending. It is~~  
2 ~~hereby declared that the term "school districts" as used in Section~~  
3 ~~32 of Article X of the Oklahoma Constitution shall mean school~~  
4 ~~districts and charter schools created pursuant to the provisions of~~  
5 ~~the Oklahoma Charter Schools Act. If sufficient monies are~~  
6 ~~available in the fund, the Board shall solicit proposals for grants~~  
7 ~~from school districts and charter schools and shall determine the~~  
8 ~~process for consideration of proposals. Grants shall be awarded~~  
9 ~~only to school districts which have a total assessed property~~  
10 ~~valuation per average daily membership that is less than the state~~  
11 ~~average total assessed property valuation per average daily~~  
12 ~~membership and, at the time of application, the district has voted~~  
13 ~~the five mill building fund levy authorized in Section 10 of Article~~  
14 ~~X of the Oklahoma Constitution, and has voted indebtedness through~~  
15 ~~the issuance of new bonds for at least fifty percent (50%) within~~  
16 ~~the last three (3) years of the maximum allowable pursuant to the~~  
17 ~~provisions of Section 26 of Article X of the Oklahoma Constitution~~  
18 ~~as shown on the school district budget filed with the State Board of~~  
19 ~~Equalization for the current school year and certifications by the~~  
20 ~~Attorney General prior to April 1 of the school year. Grants shall~~  
21 ~~be awarded only to charter schools which have secured matching funds~~  
22 ~~for the specific purpose of acquiring buildings in an amount of not~~  
23 ~~less than ten percent (10%) of the total grant amount. The amount~~  
24 ~~of each grant awarded by the Board each year shall not exceed Four~~

1 ~~Million Dollars (\$4,000,000.00). From the total amount available to~~  
2 ~~provide grants to public schools and charter schools, charter~~  
3 ~~schools shall be allocated the greater of ten percent (10%) of the~~  
4 ~~total amount or the percent of students enrolled in charter schools~~  
5 ~~that are not sponsored by the Statewide Virtual Charter School Board~~  
6 ~~as compared to the student enrollment in school districts which have~~  
7 ~~a total assessed property valuation per average daily membership~~  
8 ~~that is equal to or less than twenty-five percent (25%) of the state~~  
9 ~~total assessed property valuation per average daily membership. The~~  
10 ~~Board shall give priority consideration to school districts which~~  
11 ~~have a total assessed property valuation per average daily~~  
12 ~~membership that is equal to or less than twenty-five percent (25%)~~  
13 ~~of the state average total assessed property valuation per average~~  
14 ~~daily membership. The Board is authorized to prorate grants awarded~~  
15 ~~if monies are not sufficient in the fund to award grants to~~  
16 ~~qualified districts and charter schools. The State Board of~~  
17 ~~Education shall make available to eligible charter schools any~~  
18 ~~unused grant funds that remain after the initial allocation to all~~  
19 ~~eligible public school districts and charter schools of this state~~  
20 ~~eligible charter schools as defined in subsection B of this section.~~

21 The State Board of Education shall disburse redbud school grants  
22 annually from the State Public Common School Building Equalization  
23 Fund to public schools and eligible charter schools pursuant to  
24 subsection B of this section. The Board shall promulgate rules for

1 the implementation of disbursing redbud school grants pursuant to  
2 this section. The State Board of Education shall prescribe rules  
3 for making grants of aid from, and for otherwise administering, the  
4 fund pursuant to the provisions of this paragraph, and may employ  
5 and fix the duties and compensation of technicians, aides, clerks,  
6 stenographers, attorneys and other personnel deemed necessary to  
7 carry out the provisions of this paragraph. The cost of  
8 administering the fund shall be paid from monies appropriated to the  
9 State Board of Education for the operation of the State Department  
10 of Education. From monies apportioned to the fund, the State  
11 Department of Education may reserve not more than one-half of one  
12 percent (1/2 of 1%) for purposes of administering the fund;

13 22. Recognize that the Director of the Oklahoma Department of  
14 Corrections shall be the administrative authority for the schools  
15 which are maintained in the state reformatories and shall appoint  
16 the principals and teachers in such schools. Provided, that rules  
17 of the State Board of Education for the classification, inspection  
18 and accreditation of public schools shall be applicable to such  
19 schools; and such schools shall comply with standards set by the  
20 State Board of Education; and

21 23. Have authority to administer a revolving fund which is  
22 hereby created in the State Treasury, to be designated the  
23 Statistical Services Revolving Fund. The fund shall consist of all  
24 monies received from the various school districts of the state, the

1 United States Government, and other sources for the purpose of  
2 furnishing or financing statistical services and for any other  
3 purpose as designated by the Legislature. The State Board of  
4 Education is hereby authorized to enter into agreements with school  
5 districts, municipalities, the United States Government, foundations  
6 and other agencies or individuals for services, programs or research  
7 projects. The Statistical Services Revolving Fund shall be  
8 administered in accordance with Section 155 of Title 62 of the  
9 Oklahoma Statutes.

10 B. 1. The redbud school grants shall be determined by the  
11 State Department of Education as follows:

- 12 a. divide the county four-mill levy revenue by four to  
13 determine the nonchargeable county four-mill revenue  
14 for each school district,
- 15 b. determine the amount of new revenue generated by the  
16 five-mill building fund levy as authorized by Section  
17 10 of Article X of the Oklahoma Constitution for each  
18 school district as reported in the Oklahoma Cost  
19 Accounting System for the preceding fiscal year,
- 20 c. add the amounts calculated in subparagraphs a and b of  
21 this paragraph to determine the nonchargeable millage  
22 for each school district,
- 23 d. add the nonchargeable millage in each district  
24 statewide as calculated in subparagraph c of this

1 paragraph and divide the total by the average daily  
2 membership in public schools statewide based on the  
3 preceding school year's average daily membership,  
4 according to the provisions of Section 18-107 of this  
5 title. This amount is the statewide nonchargeable  
6 millage per student, known as the baseline local  
7 funding per student,

8 e. all eligible charter schools shall be included in  
9 these calculations as unique school districts,  
10 separate from the school district that may sponsor the  
11 eligible charter school, and the total number of  
12 districts shall be used to determine the statewide  
13 average baseline local funding per student,

14 f. for each school district or eligible charter school  
15 which is below the baseline local funding per student,  
16 the Department shall subtract the baseline local  
17 funding per student from the average nonchargeable  
18 millage per student of the school district or eligible  
19 charter school to determine the nonchargeable millage  
20 per student shortfall for each district, and

21 g. the nonchargeable millage per student shortfall for a  
22 school district or eligible charter school shall be  
23 multiplied by the average daily membership of the  
24 preceding school year of the eligible school district

1 or eligible charter school. This amount shall be the  
2 redbud school grant amount for the school district or  
3 eligible charter school.

4 2. For fiscal year 2022, monies for the redbud school grants  
5 shall be expended from the funds apportioned pursuant to Section 2  
6 of this act. For fiscal year 2023 and each subsequent fiscal year,  
7 monies for the redbud school grants shall be appropriated pursuant  
8 to Section 2 of this act, not to exceed three-fourths (3/4) of the  
9 tax collected in the preceding fiscal year pursuant to Section 426  
10 of Title 63 of the Oklahoma Statutes as determined by the Oklahoma  
11 Tax Commission. For fiscal year 2023 and each subsequent fiscal  
12 year, if such appropriated funds are insufficient to fund the redbud  
13 school grants, then an additional apportionment of funds shall be  
14 made from sales tax collections as provided by subsection D of  
15 Section 3 of this act. If both funds are insufficient, the  
16 Department shall promulgate rules to permit a decrease to the  
17 baseline local funding per student to the highest amount allowed  
18 with the funding available.

19 3. As used in this section, "eligible charter school" shall  
20 mean a charter school which is sponsored pursuant to the provisions  
21 of the Oklahoma Charter School Act. Provided, however, "eligible  
22 charter school" shall not include a charter school sponsored by the  
23 Statewide Virtual Charter School Board but shall only include those  
24 which provide in-person or blended instruction, as provided by

1 Section 1-111 of this title, to not less than two-thirds (2/3) of  
2 students as the primary means of instructional service delivery.

3 4. The Department shall develop a program to acknowledge the  
4 redbud school grant recipients and shall include elected members of  
5 the Oklahoma House of Representatives and Oklahoma State Senate who  
6 represent the school districts and eligible charter schools.

7 5. The Department shall create a dedicated page on its website  
8 listing annual redbud school grant recipients, amount awarded to  
9 each recipient and other pertinent information about the Redbud  
10 School Funding Act.

11 6. The Department shall provide the Chair of the House  
12 Appropriations and Budget Committee and the Chair of the Senate  
13 Appropriations Committee no later than February 1 of each year with  
14 an estimate of the upcoming year's redbud school grant allocation as  
15 prescribed by this section.

16 SECTION 6. AMENDATORY 70 O.S. 2011, Section 3-104.4, as  
17 last amended by Section 64, Chapter 161, O.S.L. 2020 (70 O.S. Supp.  
18 2020, Section 3-104.4), is amended to read as follows:

19 Section 3-104.4. A. The State Board of Education shall adopt  
20 standards for the accreditation of the public schools in this state  
21 according to the requirements of Section 3-104.3 et seq. of this  
22 title, to be effective as set forth in Section 3-104.3 et seq. of  
23 this title. The accreditation standards shall incorporate the  
24 curricular standards established pursuant to Section 11-103.6 of



1 this title. The accreditation standards shall equal or exceed  
2 nationally recognized accreditation standards to the extent that the  
3 standards are consistent with an academic results oriented approach  
4 to accreditation. The accreditation adopted by the State Board  
5 shall encompass accreditation for elementary schools, middle  
6 schools, junior high schools, and high schools. The accreditation  
7 standards shall be made available for public inspection at the  
8 offices of the State Department of Education.

9 B. Standards for accreditation adopted by the State Board of  
10 Education shall include standards relating to the provision of  
11 school counselors to the public school children of this state. The  
12 State Board of Education shall require each local school district to  
13 provide information regarding the number of counselors serving each  
14 school site, the duties of all such counselors including all  
15 administrative duties, the number of students served by each  
16 counselor, and information regarding the number of counselors  
17 employed per elementary school, middle school, junior high school  
18 and high school.

19 C. Except as otherwise provided, schools shall meet the  
20 accreditation standards as a condition of continued accreditation.  
21 Nothing herein shall be construed as preventing changes to the  
22 adopted standards by the State Board of Education pursuant to the  
23 Administrative Procedures Act. The accreditation standards shall  
24 provide for warnings, probation or nonaccredited status for schools

1 that fail to meet the standards. The Department shall investigate a  
2 complaint of failure to provide educational services or failure to  
3 comply with accreditation standards within thirty (30) days of  
4 receiving the complaint. If the Department determines that a school  
5 has failed to comply with the accreditation standards, the  
6 Department shall report the recommended warning, probation or  
7 nonaccredited accreditation status to the State Board of Education  
8 within ninety (90) days. If a school does not take action to comply  
9 with the accreditation standards within ninety (90) days after a  
10 report is filed by the Department, the Board shall withdraw  
11 accreditation for the school. The State Board accreditation  
12 regulations shall provide for warnings and for assistance to schools  
13 and school districts whenever there is reason to believe a school is  
14 in danger of losing its state accreditation.

15 D. If one or more school sites fail to receive accreditation as  
16 required pursuant to this section or subsequently lose  
17 accreditation, the State Board of Education shall close the school  
18 and reassign the students to accredited schools within the district  
19 or shall annex the district to one or more other districts in which  
20 the students can be educated in accredited schools.

21 E. Standards for accreditation adopted by the State Board of  
22 Education shall include standards relating to the provision of  
23 educational services provided in partial hospitalization programs,  
24 day treatment programs, day hospital programs, residential treatment

1 programs and emergency shelter programs for persons between the ages  
2 of three (3) and twenty-one (21) years of age. The accreditation  
3 standards shall apply to on-site and off-site educational services  
4 provided by public school districts or state-accredited private  
5 schools. Each school which is providing or is required to provide  
6 educational services for students placed in a program as described  
7 in this subsection shall be actively monitored by the State  
8 Department of Education. The Department shall determine on an  
9 ongoing basis if the educational program and services are in  
10 compliance with the accreditation standards.

11 F. The State Board shall provide assistance to districts in  
12 considering the possibility of meeting accreditation requirements  
13 through the use of nontraditional means of instruction. The State  
14 Board shall also assist districts in forming cooperatives and making  
15 arrangements for the use of satellite instruction or other  
16 instructional technologies to the extent that use of such  
17 instructional means meets accreditation standards.

18 G. 1. Accreditation shall not be withdrawn from or denied nor  
19 shall a penalty be assessed against a school or school district for  
20 failing to meet the media materials and equipment standards, media  
21 program expenditure standards and media personnel standards as set  
22 forth in the accreditation standards adopted by the Board.

23 2. The provisions of paragraph 1 of this subsection shall cease  
24 to be effective during the fiscal year which begins on the July 1

1 immediately succeeding the legislative session during which the  
2 measure appropriating monies to the State Board of Education for the  
3 financial support of public schools is enacted as law and such  
4 appropriation amount is at least Fifty Million Dollars  
5 (\$50,000,000.00) greater than the amount of money appropriated to  
6 the State Board of Education for the financial support of public  
7 schools for the fiscal year ending June 30, 2019, pursuant to  
8 Chapter 146, O.S.L. 2018. Provided, the Fifty Million Dollars  
9 (\$50,000,000.00) shall not include any amount of appropriations  
10 dedicated for support or certified employee salary increases.  
11 Accreditation shall not be withdrawn from or denied nor shall a  
12 penalty be assessed against a school or school district for failing  
13 to meet the media personnel standards as set forth in accreditation  
14 standards adopted by the Board.

15 H. 1. The State Board shall not assess a financial penalty  
16 against any school district which is given a deficiency in  
17 accreditation status during any fiscal year as provided for in this  
18 subsection.

19 2. Beginning with the fiscal year which begins July 1, 2021, if  
20 the amount of money appropriated to the State Board of Education for  
21 the financial support of public schools including funds apportioned  
22 pursuant to Section 2 of this act, is at least One Hundred Million  
23 Dollars (\$100,000,000.00) greater than the amount of money  
24 appropriated to the State Board of Education for the financial

1 support of public schools for the fiscal year ending June 30, 2019,  
2 pursuant to Chapter 146, O.S.L. 2018, a financial penalty shall be  
3 assessed against any school districts that do not comply with the  
4 class size limitations for kindergarten as provided for in Section  
5 18-113.2 of this title and class size limitations for grade one as  
6 provided for in subsection A of Section 18-113.1 of this title.  
7 Provided, the One Hundred Million Dollars (\$100,000,000.00) shall  
8 not include any amount of appropriations dedicated for support or  
9 certified employee salary increases.

10 3. The State Department of Education shall submit a report on  
11 statewide classroom sizes to the President Pro Tempore of the  
12 Oklahoma State Senate and the Speaker of the Oklahoma House of  
13 Representatives no later than January 1, 2022.

14 I. Except as provided for in subsection J of this section,  
15 beginning with the 2019-2020 school year, evaluations of schools to  
16 determine whether they meet the accreditation standards set forth in  
17 accordance with this section shall occur once every four (4) years  
18 on a schedule adopted by the State Board of Education. The Board  
19 may interrupt the evaluation schedule provided in this subsection  
20 for reasons including a change in the superintendent of the school  
21 district; determination that one or more school district board  
22 members have not met the continuing education requirements as  
23 defined by this title; determination that the school district  
24 falsified information submitted to any public city, county, state or

1 federal official or agency; initiation of an investigation by the  
2 Board or a law enforcement agency; or other determination by the  
3 Board that standards for accreditation are not being met by the  
4 school district. The schedule adopted by the Board shall allow for  
5 school districts receiving no deficiencies for two (2) consecutive  
6 years to be reviewed for accreditation less than annually.

7 Provided, however, that schools shall be evaluated annually for the  
8 purposes of:

- 9 1. Local, state and federal funding;
- 10 2. Health and safety;
- 11 3. Certification requirements for teachers, principals and  
12 superintendents;
- 13 4. School board governance, including instructional and  
14 continuing education requirements for school board members; and
- 15 5. Any other requirements under state or federal law.

16 J. Beginning with the 2019-2020 school year, if a public school  
17 receives a deficiency on its accreditation report, the public school  
18 shall be evaluated annually to determine if it meets the  
19 accreditation standards set forth in accordance with this section.

20 If the public school receives no deficiencies for two (2)  
21 consecutive years, the public school shall be subject to the  
22 evaluation timeline established in subsection I of this section.

23 SECTION 7. AMENDATORY 70 O.S. 2011, Section 3-142, as  
24 last amended by Section 9 of Enrolled Senate Bill No. 1064 of the

1 1st Session of the 58th Oklahoma Legislature (70 O.S. Supp. 2020,  
2 Section 3-142), is amended to read as follows:

3 Section 3-142. A. ~~For purposes of funding, a charter school~~  
4 ~~sponsored by a board of education of a school district shall be~~  
5 ~~considered a site within the school district in which the charter~~  
6 ~~school is located.~~ The student membership and attendance of the  
7 charter school shall be considered separate from the student  
8 membership and attendance of the ~~district in which the charter~~  
9 ~~school is located~~ sponsor for the purpose of calculating enrollment  
10 and funding including weighted average daily membership pursuant to  
11 Section 18-201.1 of this title and State Aid pursuant to Section 18-  
12 200.1 of this title. ~~For charter schools sponsored by a board of~~  
13 ~~education of a school district, the sum of the separate calculations~~  
14 ~~for the charter school and the school district shall be used to~~  
15 ~~determine the total State Aid allocation for the district in which~~  
16 ~~the charter school is located.~~ A charter school shall receive ~~from~~  
17 ~~the sponsoring school district,~~ the State Aid allocation, federal  
18 funds to which it is eligible and qualifies for and any other state-  
19 appropriated revenue generated by its students for the applicable  
20 year, ~~less up to.~~ Not more than three percent (3%) of the State Aid  
21 allocation, ~~which may be retained~~ charged by the ~~school district~~  
22 sponsor as a fee for administrative services rendered. ~~For charter~~  
23 ~~schools sponsored by the board of education of a technology center~~  
24 ~~school district, a higher education institution, the State Board of~~

1 ~~Education, or a federally recognized Indian tribe and for statewide~~  
2 ~~virtual charter schools sponsored by the Statewide Virtual Charter~~  
3 ~~School Board, the State Aid allocation for the charter school shall~~  
4 ~~be distributed by the State Board of Education and not more than~~  
5 ~~three percent (3%) of the State Aid allocation may be charged by the~~  
6 ~~sponsor as a fee for administrative services rendered.~~ The State  
7 Board of Education shall determine the policy and procedure for  
8 making payments to a charter school. The fee for administrative  
9 services as authorized in this subsection shall only be assessed on  
10 the State Aid allocation amount and shall not be assessed on any  
11 other appropriated amounts. A sponsor of a charter school shall not  
12 ~~retain~~ charge any additional State Aid allocation or charge the  
13 charter school any additional fee above the amounts allowed by this  
14 subsection unless the additional fees are for additional services  
15 rendered. The charter school sponsor shall provide to the State  
16 Department of Education financial records documenting any state  
17 funds ~~retained~~ charged by the sponsor for administrative services  
18 rendered for the previous year.

19 B. 1. The weighted average daily membership for the first year  
20 of operation of a charter school shall be determined initially by  
21 multiplying the actual enrollment of students as of August 1 by  
22 1.333. The charter school shall receive revenue equal to that which  
23 would be generated by the estimated weighted average daily  
24 membership calculated pursuant to this paragraph. At midyear, the



1 allocation for the charter school shall be adjusted using the first  
2 quarter weighted average daily membership for the charter school  
3 calculated pursuant to subsection A of this section.

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

18 C. ~~A charter school shall~~ Except as explicitly authorized by  
19 state law, a charter school shall not be eligible to receive state-  
20 dedicated, local or county revenue; provided, a charter school may  
21 be eligible to receive any other aid, grants or revenues allowed to  
22 other schools. A charter school sponsored by the board of education  
23 of a technology center school district, a higher education  
24 institution, the State Board of Education, or a federally recognized

1 ~~Indian tribe~~ shall be considered a local education agency for  
2 purposes of funding. ~~A charter school sponsored by a board of~~  
3 ~~education of a school district shall be considered a local education~~  
4 ~~agency for purposes of federal funding.~~

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

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

18 F. Except as otherwise provided in this subsection, each  
19 charter school shall pay to the Charter School Closure Reimbursement  
20 Revolving Fund created in subsection G of this section an amount  
21 equal to Five Dollars (\$5.00) per student based on average daily  
22 membership, as defined by paragraph 2 of Section 18-107 of this  
23 title, during the first nine (9) weeks of the school year. Each  
24 charter school shall complete the payment every school year within

1 thirty (30) days after the first nine (9) weeks of the school year.  
2 If the Charter School Closure Reimbursement Revolving Fund has a  
3 balance of One Million Dollars (\$1,000,000.00) or more on July 1, no  
4 payment shall be required the following school year.

5 G. There is hereby created in the State Treasury a revolving  
6 fund for the State Department of Education to be designated the  
7 "Charter School Closure Reimbursement Revolving Fund". The fund  
8 shall be a continuing fund, not subject to fiscal year limitations,  
9 and shall consist of all monies received by the State Department of  
10 Education from charter schools as provided in subsection F of this  
11 section. All monies accruing to the credit of said fund are hereby  
12 appropriated and may be budgeted and expended by the State  
13 Department of Education for the purpose of reimbursing charter  
14 school sponsors for costs incurred due to the closure of a charter  
15 school. Expenditures from said fund shall be made upon warrants  
16 issued by the State Treasurer against claims filed as prescribed by  
17 law with the Director of the Office of Management and Enterprise  
18 Services for approval and payment. The State Department of  
19 Education may promulgate rules regarding sponsor eligibility for  
20 reimbursement.

21 SECTION 8. AMENDATORY 70 O.S. 2011, Section 10-103.1, is  
22 amended to read as follows:

23 Section 10-103.1. A. The school population, scholastic  
24 population, scholastic enumeration, and enumeration of a district

1 shall be the legal average daily attendance. The legal average  
2 daily attendance shall be the average number of pupils present in a  
3 school district during a year or other specified period of time.  
4 The State Board of Education shall determine the legal average daily  
5 attendance for each school district by dividing the aggregate days  
6 of pupils present in each school district by the number of days  
7 taught in each school district.

8 B. The legal average daily attendance for purposes of the  
9 distributions contained in subsection (b) of Section 9 of Article X  
10 of the Oklahoma Constitution, Section 1004 of Title 68 of the  
11 Oklahoma Statutes, Section 1104 of Title 47 of the Oklahoma Statutes  
12 and Sections 10-104 and 615 of this title shall not include the  
13 average daily attendance for students enrolled in a charter school.

14 SECTION 9. It being immediately necessary for the preservation  
15 of the public peace, health or safety, an emergency is hereby  
16 declared to exist, by reason whereof this act shall take effect and  
17 be in full force from and after its passage and approval.

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