

1 **SENATE FLOOR VERSION**

2 March 1, 2023

3 **AS AMENDED**

4 SENATE BILL NO. 527

By: Pugh of the Senate

and

Martinez of the House

5
6
7
8 [school funding - State Aid - transportation factor
9 - weighted membership - grade level and category
weights - effective date -
emergency]

10
11
12 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

13 SECTION 1. AMENDATORY 70 O.S. 2021, Section 18-109.5, is
14 amended to read as follows:

15 Section 18-109.5. A. As used in Section 18-201.1 of this
16 title:

17 1. "Visual impairment" means an impairment in vision that, even
18 with correction, adversely affects a child's educational
19 performance. This includes both partial sight and blindness;

20 2. "Specific learning disability" means a disorder in one or
21 more of the basic psychological processes involved in understanding
22 or in using language, spoken or written, that may manifest itself in
23 the imperfect ability to listen, think, speak, read, write, spell,
24 or to do mathematical calculations, including conditions such as

1 perceptual disabilities, brain injury, minimal brain dysfunction,
2 dyslexia, and developmental aphasia. The term does not include
3 learning problems that are primarily the result of visual, hearing,
4 or motor disabilities, of intellectual disability, of emotional
5 disturbance or of environmental, cultural, or economic disadvantage;

6 3. "Deafness" means a hearing impairment that is so severe that
7 the child is impaired in processing linguistic information through
8 hearing, with or without amplification, that adversely affects a
9 child's educational performance;

10 4. "Economically disadvantaged" means all children who qualify
11 for free or reduced lunches;

12 5. "Intellectual disability" means significantly subaverage
13 general intellectual functioning, existing concurrently with
14 deficits in adaptive behavior and manifested during the development
15 period, that adversely affects a child's educational performance;

16 6. "Emotional disturbance" means a condition exhibiting one or
17 more of the following characteristics over a long period of time and
18 to a marked degree that adversely affects a child's educational
19 performance:

20 a. an inability to learn which cannot be explained by
21 intellectual, sensory, or health factors,

22 b. an inability to build or maintain satisfactory
23 interpersonal relationships with peers and teachers,

24

- 1 c. inappropriate types of behavior or feelings under
2 normal circumstances,
3 d. a general pervasive mood of unhappiness or depression,
4 or
5 e. a tendency to develop physical symptoms or fears
6 associated with personal or school problems.

7 The term includes children who are schizophrenic. The term does not
8 include children who are socially maladjusted, unless it is
9 determined that they are seriously emotionally disturbed;

10 7. "Gifted" means identified students as outlined in Section
11 1210.301 of this title;

12 8. "Hearing impairment" means an impairment in hearing, whether
13 permanent or fluctuating, that adversely affects a child's
14 educational performance but that is not included under the
15 definition of "deafness";

16 9. "Multiple disabilities" means concomitant impairments, such
17 as intellectual disability - blindness or intellectual disability -
18 orthopedic impairment, the combination of which causes such severe
19 educational needs that they cannot be accommodated in special
20 education programs solely for one of the impairments. The term does
21 not include deaf-blindness;

22 10. "Orthopedic impairment" means a severe orthopedic
23 impairment that adversely affects a child's educational performance.
24 The term includes impairments caused by a congenital anomaly,

1 impairments caused by disease such as poliomyelitis and bone
2 tuberculosis, and impairments from other causes such as cerebral
3 palsy, amputations ~~and~~, fractures, or burns that cause contractures;

4 11. "Other health impairment" means having limited strength,
5 vitality, or alertness, including a heightened alertness to
6 environmental stimuli, that results in limited alertness with
7 respect to the educational environment that adversely affects a
8 child's educational performance and is due to chronic or acute
9 health problems such as asthma, attention deficit disorder or
10 attention deficit hyperactivity disorder, diabetes, epilepsy, a
11 heart condition, hemophilia, lead poisoning, leukemia, nephritis,
12 rheumatic fever, sickle cell anemia, and Tourette syndrome;

13 12. "Speech or language impairment" means a communication
14 disorder, such as stuttering, impaired articulation, a language
15 impairment, or a voice impairment, that adversely affects a child's
16 educational performance;

17 13. "Deaf-blindness" means concomitant hearing and visual
18 impairments, the combination of which causes such severe
19 communication and other developmental and educational problems that
20 they cannot be accommodated in special education programs solely for
21 children with deafness or children with blindness;

22 14. "Autism" means a developmental disability significantly
23 affecting verbal and nonverbal communication and social interaction,
24 generally evident before age three (3), that adversely affects a

1 child's educational performance. Other characteristics often
2 associated with autism are engagement in repetitive activities and
3 stereotyped movements, resistance to environmental change or change
4 in daily routines, and unusual responses to sensory experiences.
5 Autism does not apply if a child's educational performance is
6 adversely affected primarily because the child has an emotional
7 disturbance, as defined in this subsection;

8 15. "Traumatic brain injury" means an acquired injury to the
9 brain caused by an external physical force, resulting in total or
10 partial functional disability or psychosocial impairment, or both,
11 that adversely affects a child's educational performance. Traumatic
12 brain injury applies to open or closed head injuries resulting in
13 impairments in one or more areas such as cognition; language;
14 memory; attention; reasoning; abstract thinking; judgment; problem-
15 solving; sensory, perceptual, and motor abilities; psychosocial
16 behavior; physical functions; information processing; and speech.
17 Traumatic brain injury does not apply to brain injuries that are
18 congenital or degenerative or to brain injuries induced by birth
19 trauma;

20 16. ~~"Bilingual"~~ "English learner" means ~~those students a~~
21 student ~~who have limited English speaking abilities or who come from~~
22 ~~homes where English is not the dominant language as reported on the~~
23 ~~current year application for accreditation:~~
24

- 1 a. (1) was not born in the United States or whose native
2 language is a language other than English,
3 (2) is a Native American or Alaska Native or a native
4 resident of the outlying areas and who comes from
5 an environment where a language other than
6 English has had a significant impact on the
7 individual's level of English language
8 proficiency, or
9 (3) is migratory, whose native language is a language
10 other than English and who comes from an
11 environment where a language other than English
12 is dominant, and
13 b. whose difficulties in speaking, reading, writing, or
14 understanding the English language may be sufficient
15 to deny the individual the ability to meet the subject
16 matter standards adopted pursuant to Section 11-103.6
17 of this title, the ability to successfully achieve in
18 classrooms where the language of instruction is
19 English, or the opportunity to participate fully in
20 society. A student shall no longer be an English
21 learner when he or she successfully demonstrates
22 English language proficiency on an assessment
23 designated by the State Department of Education;
24

1 17. "Special Education Summer Program" means ~~those~~ summer
2 school programs which school districts may provide for children who
3 are severely or profoundly multiple-handicapped if their
4 individualized education program states the need for a continuing
5 educational experience to prevent loss of educational achievement or
6 basic life skills. Any school district receiving funds for ~~such~~
7 special education summer programs shall provide services as provided
8 in Section 13-101 of this title; and

9 18. "Optional Extended School Year Program" means the program
10 defined in Section 1-109.1 of this title.

11 B. The State Board of Education is hereby authorized to modify
12 and redefine by rule the definitions set out in this section
13 whenever such modification is required to receive federal assistance
14 therefor.

15 SECTION 2. AMENDATORY 70 O.S. 2021, Section 18-200.1, as
16 last amended by Section 2, Chapter 488, O.S.L. 2021, is amended to
17 read as follows:

18 Section 18-200.1. A. Beginning with the 2022-2023 school year,
19 and each school year thereafter, each school district shall have its
20 initial allocation of State Aid calculated based on the state
21 dedicated revenues actually collected during the preceding fiscal
22 year, the adjusted assessed valuation of the preceding year, and the
23 weighted average daily membership for the school district of the
24 preceding school year. Each school district shall submit the

1 following data based on the first nine (9) weeks, to be used in the
2 calculation of the average daily membership of the school district:

- 3 1. Student enrollment by grade level;
- 4 2. Pupil category counts; and
- 5 3. Transportation supplement data.

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

23 B. The State Department of Education shall retain not less than
24 one and one-half percent (1 1/2%) of the total funds appropriated

1 for financial support of schools, to be used to make midyear
2 adjustments in State Aid and which shall be reflected in the final
3 allocations. If the amount of appropriated funds, including the one
4 and one-half percent (1 1/2%) retained, remaining after January 1 of
5 each year is not sufficient to fully fund the final allocations, the
6 Department shall recalculate each school district's remaining
7 allocation pursuant to subsection D of this section using the
8 reduced amount of appropriated funds.

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

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

24

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

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

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

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

1 Program shall be a district's weighted average daily
2 membership of the preceding school year or the first
3 nine (9) weeks of the current school year, whichever
4 is greater, as determined by the provisions of
5 subsection A of Section 18-201.1 of this title and
6 paragraphs 1, 2, 3, and 4 of subsection B of Section
7 18-201.1 of this title, multiplied by the Base
8 Foundation Support Level.

9 b. The Foundation Program Income shall be the sum of the
10 following:

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

- 1 (2) Seventy-five percent (75%) of the amount received
2 by the school district from the proceeds of the
3 county levy during the preceding fiscal year, as
4 levied pursuant to subsection (b) of Section 9 of
5 Article X of the Oklahoma Constitution, and
6 (3) ~~Motor Vehicle Collections~~ motor vehicle
7 collections, and
8 (4) ~~Gross Production Tax~~ gross production tax, and
9 (5) ~~State Apportionment~~ state apportionment, and
10 (6) R.E.A. ~~Tax~~ tax.

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

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

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

23 b. The per capita allowance shall be determined using the
24 following chart:

	PER CAPITA		PER CAPITA	
	DENSITY FIGURE	ALLOWANCE	DENSITY FIGURE	ALLOWANCE
1				
2				
3	.3000 - .3083	\$167.00	.9334 - .9599	\$99.00
4	.3084 - .3249	\$165.00	.9600 - .9866	\$97.00
5	.3250 - .3416	\$163.00	.9867 - 1.1071	\$95.00
6	.3417 - .3583	\$161.00	1.1072 - 1.3214	\$92.00
7	.3584 - .3749	\$158.00	1.3215 - 1.5357	\$90.00
8	.3750 - .3916	\$156.00	1.5358 - 1.7499	\$88.00
9	.3917 - .4083	\$154.00	1.7500 - 1.9642	\$86.00
10	.4084 - .4249	\$152.00	1.9643 - 2.1785	\$84.00
11	.4250 - .4416	\$150.00	2.1786 - 2.3928	\$81.00
12	.4417 - .4583	\$147.00	2.3929 - 2.6249	\$79.00
13	.4584 - .4749	\$145.00	2.6250 - 2.8749	\$77.00
14	.4750 - .4916	\$143.00	2.8750 - 3.1249	\$75.00
15	.4917 - .5083	\$141.00	3.1250 - 3.3749	\$73.00
16	.5084 - .5249	\$139.00	3.3750 - 3.6666	\$70.00
17	.5250 - .5416	\$136.00	3.6667 - 3.9999	\$68.00
18	.5417 - .5583	\$134.00	4.0000 - 4.3333	\$66.00
19	.5584 - .5749	\$132.00	4.3334 - 4.6666	\$64.00
20	.5750 - .5916	\$130.00	4.6667 - 4.9999	\$62.00
21	.5917 - .6133	\$128.00	5.0000 - 5.5000	\$59.00
22	.6134 - .6399	\$125.00	5.5001 - 6.0000	\$57.00
23	.6400 - .6666	\$123.00	6.0001 - 6.5000	\$55.00
24	.6667 - .6933	\$121.00	6.5001 - 7.0000	\$53.00

1	.6934 - .7199	\$119.00	7.0001 - 7.3333	\$51.00
2	.7200 - .7466	\$117.00	7.3334 - 7.6667	\$48.00
3	.7467 - .7733	\$114.00	7.6668 - 8.0000	\$46.00
4	.7734 - .7999	\$112.00	8.0001 - 8.3333	\$44.00
5	.8000 - .8266	\$110.00	8.3334 - 8.6667	\$42.00
6	.8267 - .8533	\$108.00	8.6668 - 9.0000	\$40.00
7	.8534 - .8799	\$106.00	9.0001 - 9.3333	\$37.00
8	.8800 - .9066	\$103.00	9.3334 - 9.6667	\$35.00
9	.9067 - .9333	\$101.00	9.6668 or more	\$33.00

10 c. The formula transportation factor shall be ~~1.39~~ 2.0.

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

12 a. Multiply the Incentive Aid guarantee by the district's
13 higher weighted average daily membership based on the
14 first nine (9) weeks of the current school year or the
15 preceding school year of a school district, as
16 determined by the provisions of subsection A of
17 Section 18-201.1 of this title and paragraphs 1, 2, 3, 4,
18 and 4 of subsection B of Section 18-201.1 of this
19 title.

20 b. Divide the district's adjusted assessed valuation of
21 the current school year minus the previous year's
22 protested ad valorem tax revenues held as prescribed
23 in Section 2884 of Title 68 of the Oklahoma Statutes,
24 by one thousand (1,000) and subtract the quotient from

1 the product of subparagraph a of this paragraph. The
2 remainder shall not be less than zero (0).

3 c. Multiply the number of mills levied for general fund
4 purposes above the fifteen (15) mills required to
5 support Foundation Aid pursuant to division (1) of
6 subparagraph b of paragraph 1 of this subsection, not
7 including the county four-mill levy, by the remainder
8 of subparagraph b of this paragraph. The product
9 shall be the Salary Incentive Aid of the district.

10 E. By June 30, 1998, the State Department of Education shall
11 develop and the Department and all school districts shall have
12 implemented a student identification system which is consistent with
13 the provisions of subsections C and D of Section 3111 of Title 74 of
14 the Oklahoma Statutes. The student identification system shall be
15 used specifically for the purpose of reporting enrollment data by
16 school sites and by school districts, the administration of the
17 Oklahoma School Testing Program Act, the collection of appropriate
18 and necessary data pursuant to the Oklahoma Educational Indicators
19 Program, determining student enrollment, establishing a student
20 mobility rate, allocation of the State Aid Formula, and midyear
21 adjustments in funding for student growth. This enrollment data
22 shall be submitted to the State Department of Education in
23 accordance with rules promulgated by the State Board of Education.
24 Funding for the development, implementation, personnel training, and

1 maintenance of the student identification system shall be set out in
2 a separate line item in the allocation section of the appropriation
3 bill for the State Board of Education for each year.

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

20 2. In the event that the amount of funds a school district
21 receives for reimbursement from the Ad Valorem Reimbursement Fund is
22 less than the amount of funds claimed for reimbursement by the
23 school district due to insufficiency of funds as provided in Section
24 193 of Title 62 of the Oklahoma Statutes, then the school district's

1 assessed valuation for the school year that such ad valorem
 2 reimbursement is calculated in the State Aid Formula shall be
 3 adjusted accordingly.

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

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

21 2. By February 1 the State Department of Education shall send
 22 by certified mail, with return receipt requested, to each ~~School~~
 23 ~~District Superintendent~~ school district superintendent, ~~Auditor~~
 24 auditor, and ~~Regional Accreditation Officer~~ regional accreditation

1 officer a notice of and calculation sheet reflecting the general
2 fund balance penalty to be assessed against that school district.
3 Calculation of the general fund balance penalty shall not include
4 federal revenue. Within thirty (30) days of receipt of this written
5 notice the school district shall submit to the Department a written
6 reply either accepting or protesting the penalty to be assessed
7 against the district. If protesting, the school district shall
8 submit with its reply the reasons for rejecting the calculations and
9 documentation supporting those reasons. The Department shall review
10 all school district penalty protest documentation and notify each
11 district by March 15 of its finding and the final penalty to be
12 assessed to each district. General fund balance penalties shall be
13 assessed to all school districts by April 1.

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

20 4. Any school district which receives an increase in State Aid
21 because of a change in Foundation and/or Salary Incentive Aid
22 factors during the last two (2) months of the preceding fiscal year
23 shall be exempt from the penalties assessed in this subsection, if
24

1 the penalty would occur solely as a result of receiving funds from
2 the increase in State Aid.

3 5. If a school district does not receive Foundation and/or
4 Salary Incentive Aid during the preceding fiscal year, the State
5 Board of Education may waive the penalty assessed in this subsection
6 if the penalty would result in a loss of more than forty percent
7 (40%) of the remaining State Aid to be allocated to the school
8 district between April 1 and the remainder of the school year and if
9 the Board determines the penalty will cause the school district not
10 to meet remaining financial obligations.

11 6. Any school district which receives gross production revenue
12 apportionment during the 2002-2003 school year or in any subsequent
13 school year that is greater than the gross production revenue
14 apportionment of the preceding school year shall be exempt from the
15 penalty assessed in this subsection, if the penalty would occur
16 solely as a result of the gross production revenue apportionment, as
17 determined by the State Board of Education.

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

24

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

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

15 10. For purposes of calculating the general fund balance
16 penalty, the terms "carryover" and "general fund balance" shall not
17 include federal revenue.

18 H. In order to provide startup funds for the implementation of
19 early childhood programs, State Aid may be advanced to school
20 districts that initially start early childhood instruction at a
21 school site. School districts that desire such advanced funding
22 shall make application to the State Department of Education no later
23 than September 15 of each year and advanced funding shall be awarded
24 to the approved districts no later than October 30. The advanced

1 funding shall not exceed the per pupil amount of State Aid as
2 calculated in subsection D of this section per anticipated Head
3 Start eligible student. The total amount of advanced funding shall
4 be proportionately reduced from the monthly payments of the
5 district's State Aid payments during the last six (6) months of the
6 same fiscal year.

7 I. 1. Beginning July 1, 1996, the Oklahoma Tax Commission,
8 notwithstanding any provision of law to the contrary, shall report
9 monthly to the State Department of Education the monthly
10 apportionment of the following information:

- 11 a. the assessed valuation of property,
- 12 b. motor vehicle collections,
- 13 c. R.E.A. tax collected, and
- 14 d. gross productions tax collected.

15 2. Beginning July 1, 1997, the State Auditor and Inspector's
16 Office, notwithstanding any provision of law to the contrary, shall
17 report monthly to the State Department of Education the monthly
18 apportionment of the proceeds of the county levy.

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

23 4. Beginning July 1, 1997, the county treasurers' offices,
24 notwithstanding any provision of law to the contrary, shall report

1 monthly to the State Department of Education the ad valorem tax
2 protest amounts for each county.

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

8 SECTION 3. AMENDATORY 70 O.S. 2021, Section 18-201.1, is
9 amended to read as follows:

10 Section 18-201.1. A. Beginning with the 2020-21 school year,
11 and each school year thereafter, the weighted membership of a school
12 district for calculation of Foundation Aid purposes pursuant to
13 paragraph 1 of subsection D of Section 18-200.1 of this title shall
14 be the sum of the weighted pupil grade level calculation, the
15 weighted pupil category calculation, the weighted district
16 calculation, and the weighted teacher experience and degree
17 calculation. The weighted membership of a school district for
18 calculation of Salary Incentive Aid purposes pursuant to paragraph 3
19 of subsection D of Section 18-200.1 of this title shall be the sum
20 of the weighted pupil grade level calculation, the weighted pupil
21 category calculation, the weighted district calculation, and the
22 weighted teacher experience and degree calculation.

23 B. Beginning with the 2022-2023 school year, the weighted
24 calculations provided for in subsection A of this section shall be

1 based on the higher weighted average daily membership of the first
 2 nine (9) weeks of the current school year or the preceding school
 3 year of a school district, unless otherwise specified. The higher
 4 of the two (2) weighted average daily memberships shall be used
 5 consistently in all of the calculations; however, the weighted
 6 calculation for a statewide virtual charter school experiencing a
 7 significant decline in membership shall be based on the first nine
 8 (9) weeks of the current school year for the statewide virtual
 9 charter school. For purposes of this subsection, "significant
 10 decline in membership" means equal to or greater than a fifteen
 11 percent (15%) decrease in average daily membership from the
 12 preceding school year to the average daily membership of the first
 13 nine (9) weeks of the current school year. The average daily
 14 membership data used for all calculations in paragraphs 1, 2, 3, and
 15 4 of this subsection shall be the same as used in the calculation of
 16 the State Aid Formula. The weighted calculations provided for in
 17 subsection A of this section shall be determined as follows:

18 1. The weighted pupil grade level calculation shall be
 19 determined by taking the highest average daily membership and
 20 assigning weights to the pupils according to grade attended as
 21 follows:

GRADE LEVEL	WEIGHT
a. Half-day early childhood programs	.7 <u>1</u>
b. Full-day early childhood programs	1.3 <u>1</u>

1	c. Half-day kindergarten	1.3 <u>1.5</u>
2	d. Full-day kindergarten	1.5
3	e. First and second grade	1.35 1
4	f. Third <u>through third</u> grade	1.05 <u>1.5</u>
5	g. f. Fourth through sixth grade	1.0
6	h. Seventh through twelfth grade	1.2 <u>1.0</u>
7	i. g. Out-of-home placement	1.50

8 Multiply the membership of each subparagraph of this paragraph
9 by the weight assigned to such subparagraph of this paragraph and
10 add the totals together to determine the weighted pupil grade level
11 calculation for a school district. Determination of the pupils
12 eligible for the early childhood program weight shall be pursuant to
13 the provisions of Section 1-114 of this title. The pupils eligible
14 for the out-of-home placement pupil weight shall be students who are
15 not residents of the school district in which they are receiving
16 education pursuant to the provisions of subsection D of Section 1-
17 113 of this title. Such weight may be claimed by the district
18 providing educational services to such student for the days that
19 student is enrolled in that district. If claimed, the out-of-home
20 placement weight shall be in lieu of the pupil grade level and any
21 pupil category weights for that student. Provided, if a student
22 resides in a juvenile detention center that is restricted to less
23 than twelve (12) beds, the out-of-home placement pupil weight for
24 such students shall be calculated as follows: for a center with six

1 (6) beds - 3.0; for a center with eight (8) beds - 2.3; and for a
 2 center with ten (10) beds - 1.80.

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

5	CATEGORY	WEIGHT
6	a. Visual Impairment	3.8 <u>4.0</u>
7	b. Specific Learning Disability	.4 <u>.5</u>
8	c. Deafness or Hearing Impairment	2.9 <u>3.0</u>
9	d. Deaf-Blindness	3.8 <u>4.0</u>
10	e. Intellectual Disability	1.3 <u>1.5</u>
11	f. Emotional Disturbance	2.5
12	g. Gifted	.34 <u>.35</u>
13	h. Multiple Disabilities	2.4 <u>2.5</u>
14	i. Orthopedic Impairment	1.2 <u>1.25</u>
15	j. Speech or Language Impairment	.05 <u>.1</u>
16	k. Bilingual <u>English learner</u>	.25
17	l. Special Education Summer Program	1.2 <u>1.25</u>
18	m. Economically Disadvantaged	.25 <u>.5</u>
19	n. Optional Extended School Year	
20	Program	As determined by
21		the State Board
22		of Education
23	o. Autism	2.4 <u>2.5</u>
24	p. Traumatic Brain Injury	2.4 <u>2.5</u>

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

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

21 b. District sparsity - isolation formula:

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

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

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

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

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

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

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

24 Grade Level Group

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3 TEACHER EXPERIENCE - DEGREE INDEX

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

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

21 **C. Each school district shall allocate funds generated by the**
22 **pupil category weights provided for in paragraph 2 of subsection B**
23 **of this section to provide instruction and services to students who**

1 generated the pupil category weight(s). Expenditures shall be
2 reported using the Oklahoma Cost Accounting System.

3 SECTION 4. This act shall become effective July 1, 2023.

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

8 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
9 March 1, 2023 - DO PASS AS AMENDED

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