STATE OF OKLAHOMA

1st Session of the 43rd Legislature (1991)

HOUSE BILL NO. 1372 BY: HAGER

AS INTRODUCED

AN ACT RELATING TO SCHOOLS; AMENDING 70 O.S. 1981, SECTION 18-200, AS LAST AMENDED BY SECTION 56, CHAPTER 263, O.S.L. 1990 (70 O.S. SUPP. 1990, SECTION 18-200), WHICH RELATES TO THE STATE AID FORMULA; PROVIDING FOR A SUPPLEMENT IN STATE AID TO CERTAIN DEPENDENT DISTRICTS; PROVIDING AN EFFECTIVE DATE; AND DECLARING AN EMERGENCY.

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

SECTION 1. AMENDATORY 70 O.S. 1981, Section 18-200, as last amended by Section 56, Chapter 263, O.S.L. 1990 (70 O.S. Supp. 1990, Section 18-200), is amended to read as follows:

Section 18-200. A. It is the intent of the Legislature that the sole purpose of this section is to provide an equitable funding formula for all the school districts of this state. The Legislature, recognizing the responsibility to guarantee an adequate and equitable educational program for the school children of this state, declares that on and after July 1, 1990, the amount of State

Aid each district shall receive shall be the sum of the Foundation Aid, the Salary Incentive Aid and the Transportation Supplement, as adjusted pursuant to the provisions of subsection E of this section and Section 18-112.2 of Title 70 of the Oklahoma Statutes; provided, no district having per pupil revenue in excess of three hundred percent (300%) of the average per pupil revenue of all districts shall receive any State Aid or Supplement in State Aid. Per pupil revenue shall be determined by dividing the district's second preceding year's total weighted average daily membership (ADM) into the district's second preceding year total revenues excluding federal revenue, insurance loss payments, reimbursements, recovery of overpayments and refunds, unused reserves, prior expenditures recovered, prior year surpluses, and less the amount of any transfer fees paid in that year.

B. Foundation Aid, the Transportation Supplement and Salary Incentive Aid shall be calculated as follows:

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

a. The Foundation Program shall be a district's weighted average daily membership as determined by the provisions of subsection A ~~of Section 108 of Enrolled House Bill No. 1017 of the 1st Extraordinary Session of the 42nd Oklahoma Legislature~~ and paragraphs 1, 2 and 3 of subsection B of Section ~~108 of Enrolled House Bill No. 1017 of the 1st Extraordinary Session of the 42nd Oklahoma Legislature~~ 18-201 of this title, multiplied by the Base Foundation Support Level. For the 1990-91 school year, the Base Foundation Support Level shall be One Thousand Dollars ($1,000.00).

b. The Foundation Program Income shall be the sum of the following, less dependent transfer fees to be paid for students served during the preceding school year:

(1) The adjusted assessed valuation of the school district during the next preceding year multiplied by fifteen (15) mills, and

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

(3) Motor Vehicle Collections, and

(4) Gross Production Tax, and

(5) State Apportionment, and

(6) R.E.A. Tax, and

(7) Dependent transfer fees to be received for students served during the preceding school year.

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

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

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

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

PER CAPITA PER CAPITA

DENSITY FIGURE	ALLOWANCE	DENSITY FIGURE	ALLOWANCE
.3000 - .3083	$167.00	.9334 - .9599	$99.00
.3084 - .3249	$165.00	.9600 - .9866	$97.00
.3250 - .3416	$163.00	.9867 - 1.1071	$95.00
.3417 - .3583	$161.00	1.1072 - 1.3214	$92.00
.3584 - .3749	$158.00	1.3215 - 1.5357	$90.00
.3750 - .3916	$156.00	1.5358 - 1.7499	$88.00
.3917 - .4083	$154.00	1.7500 - 1.9642	$86.00
.4084 - .4249	$152.00	1.9643 - 2.1785	$84.00
.4250 - .4416	$150.00	2.1786 - 2.3928	$81.00
.4417 - .4583	$147.00	2.3929 - 2.6249	$79.00
.4584 - .4749	$145.00	2.6250 - 2.8749	$77.00
.4750 - .4916	$143.00	2.8750 - 3.1249	$75.00
.4917 - .5083	$141.00	3.1250 - 3.3749	$73.00
.5084 - .5249	$139.00	3.3750 - 3.6666	$70.00
.5250 - .5416	$136.00	3.6667 - 3.9999	$68.00
.5417 - .5583	$134.00	4.0000 - 4.3333	$66.00
.5584 - .5749	$132.00	4.3334 - 4.6666	$64.00
.5750 - .5916	$130.00	4.6667 - 4.9999	$62.00
.5917 - .6133	$128.00	5.0000 - 5.5000	$59.00
.6134 - .6399	$125.00	5.5001 - 6.0000	$57.00
.6400 - .6666	$123.00	6.0001 - 6.5000	$55.00
.6667 - .6933	$121.00	6.5001 - 7.0000	$53.00
.6934 - .7199	$119.00	7.0001 - 7.3333	$51.00
.7200 - .7466	$117.00	7.3334 - 7.6667	$48.00
.7467 - .7733	$114.00	7.6668 - 8.0000	$46.00
.7734 - .7999	$112.00	8.0001 - 8.3333	$44.00
.8000 - .8266	$110.00	8.3334 - 8.6667	$42.00
.8267 - .8533	$108.00	8.6668 - 9.0000	$40.00
.8534 - .8799	$106.00	9.0001 - 9.3333	$37.00
.8800 - .9066	$103.00	9.3334 - 9.6667	$35.00
.9067 - .9333	$101.00	9.6668 or more	$33.00

c. The formula transportation factor shall be 1.39.

3. Salary Incentive Aid shall be determined as follows:

a. Multiply the Incentive Aid guarantee by the district's weighted average daily membership as determined by the provisions of ~~subsection A of Section 108 of this act and paragraphs 1, 2, 3 and 4 of subsection B of~~ Section ~~108~~ 18-201 of this ~~act~~ title. For the 1990-91 school year, the Incentive Aid guarantee shall be Forty-seven Dollars and sixty-nine cents ($47.69).

b. Divide the district's adjusted assessed valuation by one thousand (1,000) and subtract the quotient from the product of subparagraph a. The remainder shall not be less than zero (0).

c. Multiply the number of mills levied for general fund purposes above the fifteen (15) mills required to support Foundation Aid, not including the county four-mill levy, by the remainder of subparagraph b. The product shall be the Salary Incentive Aid of the district.

C. For the 1989-90 school year, any school district with an average daily attendance that is at least two percent (2%) greater than the higher average daily attendance of the preceding two (2) years of the school district shall receive a midterm supplement in State Aid to be determined as follows:

1. For the 1989-90 school year, for each additional pupil in average daily attendance over the higher number of pupils in average daily attendance of the preceding two years, the district shall receive funding equivalent to the state average of state-appropriated revenues for the current school year and state-dedicated revenues for the preceding school year per pupil in average daily attendance for the preceding school year.

Data used for the calculation for the midterm supplement shall be that gathered during the first semester of the school year for which the midterm supplement is to be paid.

2. For any district qualifying for the midterm supplement, if the funds received pursuant to the provisions of Section 18-112.2 of Title 70 of the Oklahoma Statutes are in excess of the funds to be received pursuant to paragraph 1 of this subsection, the district shall receive no midterm supplement. If the funds received pursuant to the provisions of Section 18-112.2 of Title 70 of the Oklahoma Statutes are less than the funds to be received pursuant to paragraph 1 of this subsection, the midterm supplement shall be the difference between these two amounts.

3. For those districts that received funding in excess of Foundation Aid, Salary Incentive Aid and the Transportation Supplement pursuant to the provisions of Section 18-112.2 of Title 70 of the Oklahoma Statutes prior to the calculation of the midterm supplement provided in paragraphs 1 and 2 of this subsection, the amount of revenue in the general fund surplus of the preceding fiscal year in excess of ten percent (10%) of receipts or expenditures, whichever is less, of the district for the preceding fiscal year shall be subtracted from the difference obtained in paragraph 2 of this subsection.

D. In the event that ad valorem taxes of a school district are determined to be uncollectible because of bankruptcy, clerical error, or a successful tax protest, and the amount of such taxes deemed uncollectible exceeds Fifty Thousand Dollars ($50,000.00) or an amount greater than twenty-five percent (25%) of ad valorem taxes per tax year, the school district's State Aid shall be determined by subtracting the net assessed valuation of the property upon which taxes were deemed uncollectible from the assessed valuation of the school district and the state. Upon request of the local board of education, it shall be the duty of the county assessor to certify to

the Director of Finance of the State Department of Education the net assessed valuation of the property upon which taxes were determined uncollectible.

E. Beginning with the 1992-93 school year, and for each year thereafter, notwithstanding the provisions of Section 18-112.2 of Title 70, a school district shall have its State Aid reduced by an amount equal to the amount of carryover in the district's general fund as of June 30 for the most recent fiscal year data is available, that is in excess of the following standards:

Total Amount of General Fund	Amount of General Fund Balance Allowable
Less than $1,000,000	40%
$1,000,000 to $4,999,999	20%
$5,000,000 to $10,000,000	12%
More than $10,000,000	8%

F. For the purposes of paying State Aid for the 1990-91 school year, no child shall be included in the average daily membership of a school district for the 1988-89 or 1989-90 school year if the child is being served during the 1990-91 school year through the provisions of the Oklahoma Early Intervention Act. Funds generated by the State Aid Formula on behalf of students who are served through the provisions of the Oklahoma Early Intervention Act shall be transferred from Financial Support of Public Schools to the Oklahoma Early Intervention Revolving Fund created pursuant to Section ~~74 of this act~~ 13-124.1 of this title.

G. ~~Any monies deposited in the Common School Fund prior to June 30, 1991, pursuant to the provisions of Section 2 of Enrolled House Joint Resolution No. 1005 of the 1st Extraordinary Session of the 42nd Oklahoma Legislature shall be transferred by the State Treasurer to the State Department of Education for distribution to~~

~~the school districts of the state pursuant to the provisions of this section. For the period of January 1, 1991 through June 30, 1991, the State Department of Education shall distribute to each school district the same amount of money that the district would have received if the funds were not deposited into the Common School Fund.~~

~~H.~~ State Aid shall be reallocated after the first nine (9) weeks of the 1990-91 school year based upon child counts for early childhood education programs pursuant to Section ~~61~~ 1-114 of this ~~act~~ title.

H. Dependent school districts required to pay dependent transfer fees in excess of the amount of the district's Foundation Program Income according to the calculation in subparagraph b of paragraph 1 of subsection B of this section shall receive a supplement in State Aid equal to the difference between the amount of dependent transfer fee paid and the Foundation Aid Program Income.

SECTION 2. This act shall become effective July 1, 1991.

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

43-1-5867 KVR