

ENROLLED SENATE
BILL NO. 390

By: Taylor and Haney of the
Senate

and

Hamilton (James) and
Steidley of the House

An Act relating to the Constitutional Reserve Fund; making an appropriation to the State Department of Education; providing for midterm adjustments to State Aid to education for the 1992-93 school year; making appropriations to the Oklahoma State Regents for Higher Education; requiring establishment of certain programs; requiring development of certain criteria; requiring competition for award of certain funds; requiring allocation of certain funds to satisfy certain assessment; making an appropriation to the State Board of Vocational and Technical Education; making an appropriation to the Oklahoma Tax Commission; making an appropriation to the Oklahoma Water Resources Board; requiring transfers of funds; stating purposes; making appropriations nonfiscal; providing an effective date; and declaring an emergency.

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

SECTION 1. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the Constitutional Reserve Fund of the State Treasury the sum of Six Million Nine Hundred Thousand Dollars (\$6,900,000.00) or so much thereof as may be necessary to the State Board of Education for supplements in State Aid to school districts for the 1992-93 school year as provided in Section 2 of this act.

SECTION 2. 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 18-201 of Title 70 of the Oklahoma Statutes and paragraphs 1, 2 and 3 of subsection B of Section 18-201 of Title 70 of the Oklahoma Statutes, multiplied by the Base Foundation Support Level. For the 1992-93 school year, the Base Foundation Support Level shall be One Thousand Ninety-eight Dollars (\$1,098.00).

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

- (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.

The items listed in divisions (3), (4), (5), and (6) of this subparagraph shall consist of the amounts actually collected from such sources during the 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:

DENSITY FIGURE	PER CAPITA ALLOWANCE	DENSITY FIGURE	PER CAPITA 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 18-201 of Title 70 of the Oklahoma Statutes and paragraphs 1, 2, 3 and 4 of subsection B of Section 18-201 of Title 70 of the Oklahoma Statutes. For the 1992-93 school year, the Incentive Aid guarantee shall be Fifty-three Dollars and fourteen cents (\$53.14).
- b. Divide the district's adjusted assessed valuation by one thousand (1,000) and subtract the quotient from the product of subparagraph a of this paragraph. 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 of this paragraph. The product shall be the Salary Incentive Aid of the district.

C. For the 1992-93 school year, any school district with a membership that is at least one and one-half percent (1 1/2%) greater than the highest average daily membership 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 1992-93 school year, for each additional pupil in membership which equals or exceeds the one and one-half percent (1 1/2%) increase over the highest average daily membership of the preceding two years, the district shall receive funding to be determined as follows:

- a. Multiply each additional pupil in membership as provided in this paragraph by the Base Foundation Support Level for the current school year, and
- b. Multiply each additional pupil in membership as provided in this paragraph by the Incentive Aid guarantee for the current school year times twenty (20), and
- c. Sum the products of subparagraphs a and b of this paragraph.

Data used for the calculation for the midterm supplement shall be that which is reported on the Accrediting Report of the school

district on September 15th and received by the State Department of Education by October 1st of the school year for which the midterm supplement is to be paid as compared to the average daily membership for the higher of the two (2) preceding years.

The data contained in the Accrediting Report for all qualifying school districts shall be audited by the State Department of Education. If a district does not qualify for a midterm supplement using the Accrediting Report data they may request an audit of the data by the State Department of Education. If, based on the post-audit data, the district is entitled to receive a midterm supplement, or if any school district's post-audit midterm supplement calculation differs from the amount of the supplement paid, the State Department of Education shall adjust the district's State Aid payments during the remainder of the school year for which the midterm supplement was paid in order to reconcile the supplement with the post-audit calculation.

2. Pupils shall not be included in the membership calculation if such pupils are enrolled for the current year in a grade level which was not taught in that school district during the preceding school year.

3. School districts which have been involved in any annexation or consolidation with other school districts during the school year for which the midterm supplement is to be calculated, or in the preceding school year, shall qualify for midterm growth as if annexed or consolidated membership had been enrolled in the current district for the preceding two (2) years.

4. 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 the provisions 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 the provisions of this subsection, the midterm supplement shall be the difference between these two amounts.

5. Beginning with the 1992-93 school year, and for each year thereafter, any district which qualifies for a midterm supplement shall have deducted from the supplement an amount equal to the amount of carryover in the district's general fund as of June 30 of the preceding fiscal year that is in excess of the standards set out in subsection E of this section.

6. If funds appropriated to the State Board of Education for the purpose of paying the midterm supplement in State Aid are not sufficient to fully fund the amount determined by this subsection, each school district which qualifies for such funding shall receive a proportionate reduction in funding.

D. For the purposes of paying State Aid for the 1992-93 school year, no child shall be included in the average daily membership of a school district for the 1990-91 or 1991-92 school year if the child is being served during the 1992-93 school year through the provisions of the Oklahoma Early Intervention Act.

SECTION 3. There is hereby appropriated to the Oklahoma State Regents for Higher Education from any monies not otherwise appropriated from the Constitutional Reserve Fund of the State Treasury the sum of Twenty Million Four Hundred Fifty-seven Thousand Five Hundred Dollars (\$20,457,500.00) for allocation by the Oklahoma State Regents for Higher Education pursuant to the provisions of Article XIII-A of the Oklahoma Constitution to the institutions of The Oklahoma State System of Higher Education for the education and general operating budgets of the institutions and for other

programs, construction, renovations or repairs administered by the Oklahoma State Regents for Higher Education.

SECTION 4. There is hereby appropriated to the Oklahoma State Regents for Higher Education from any monies not otherwise appropriated from the Constitutional Reserve Fund of the State Treasury the sum of Three Million Five Hundred Seven Thousand Dollars (\$3,507,000.00) or so much thereof as may be necessary for the purpose of capital outlay for institutions which are not beneficiaries of the Section 13 and New College Trust Funds.

SECTION 5. There is hereby appropriated to the Oklahoma State Regents for Higher Education from any monies not otherwise appropriated from the Constitutional Reserve Fund of the State Treasury the sum of Two Million Eighty-seven Thousand Five Hundred Dollars (\$2,087,500.00) to be transferred to the Oklahoma State Regents' Endowment Trust Fund.

SECTION 6. There is hereby appropriated to the Oklahoma State Regents for Higher Education from any monies not otherwise appropriated from the Constitutional Reserve Fund of the State Treasury the sum of Three Hundred Thirty-four Thousand Dollars (\$334,000.00) to be transferred to the Oklahoma State Regents Academic Scholars Trust Fund.

SECTION 7. There is hereby appropriated to the Oklahoma State Regents for Higher Education from any monies not otherwise appropriated from the Constitutional Reserve Fund of the State Treasury the sum of One Million Two Hundred Fifty-two Thousand Five Hundred Dollars (\$1,252,500.00) or so much thereof as may be necessary for establishing summer academies for Oklahoma's most qualified students who have completed the seventh (7th) grade but have not completed the twelfth (12th) grade. Said academies shall be established for instruction in the areas of science and mathematics as well as in multidisciplinary students. The State Regents shall develop the criteria for the operation of the academies. All funds used for these academies shall be awarded on a competitive basis.

SECTION 8. There is hereby appropriated to the Oklahoma State Regents for Higher Education from any monies not otherwise appropriated from the Constitutional Reserve Fund of the State Treasury the sum of Seven Hundred Ninety-nine Thousand Three Hundred Seventy-three Dollars (\$799,373.00) or so much thereof as may be necessary shall be expended for the Health Professional Student Loan and Nurse Student Loan programs. The State Regents for Higher Education shall allocate funds to each institution in such amount to fully satisfy the agreed upon assessment of the United States Department of Health and Human Services.

SECTION 9. There is hereby appropriated to the State Board of Vocational and Technical Education for any monies not otherwise appropriated from the Constitutional Reserve Fund of the State Treasury the sum of Two Million One Hundred Two Thousand Five Hundred Thirty Dollars (\$2,102,530.00) or so much thereof as may be necessary to perform the duties imposed by law.

SECTION 10. There is hereby appropriated to the Oklahoma Tax Commission from any monies not otherwise appropriated from the Constitutional Reserve Fund of the State Treasury the sum of Four Million One Hundred Seventy-five Thousand Dollars (\$4,175,000.00) or so much thereof as may be necessary to implement the visual inspection program and the computer-assisted system of mass appraisal. The monies appropriated by this section shall be transferred to the Computer-Assisted Mass Appraisal Implementation Revolving Fund as established in Section 2947 of Title 68 of the Oklahoma Statutes.

SECTION 11. There is hereby appropriated to the Oklahoma Water Resources Board for transfer to the Statewide Water Development Revolving Fund created by Section 1085.4 of Title 82 of the Oklahoma Statutes, from any monies not otherwise appropriated from the Constitutional Reserve Fund of the State Treasury the sum of One Million Two Hundred Fifty-two Thousand Five Hundred Dollars (\$1,252,500.00) for the purpose of matching United States Environmental Protection Agency capitalization grants for revolving loans for wastewater system improvements.

SECTION 12. There is hereby appropriated to the State Emergency Fund created pursuant to Section 139.42 of Title 62 of the Oklahoma Statutes from any monies not otherwise appropriated from the Constitutional Reserve Fund of the State Treasury the sum of One Million Dollars (\$1,000,000.00) for state emergencies.

SECTION 13. The appropriations made by this act shall not be subject to fiscal year limitations and shall be available for encumbrance and expenditure purposes for a period of thirty (30) months from the date this act is approved.

SECTION 14. Sections 3 through 12 of this act shall become effective July 1, 1993.

SECTION 15. 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.

Passed the Senate the 28th day of May, 1993.

President of the Senate

Passed the House of Representatives the 28th day of May, 1993.

Speaker of the House of Representatives