

1 STATE OF OKLAHOMA

2 1st Session of the 54th Legislature (2013)

3 SENATE BILL 367

By: Anderson

4  
5  
6 AS INTRODUCED

7 An Act relating to the Oklahoma Charter Schools Act;  
8 amending 70 O.S. 2011, Section 3-132, as amended by  
9 Section 1, Chapter 367, O.S.L. 2012, 3-134, 3-135 and  
10 3-140, as amended by Section 2, Chapter 367, O.S.L.  
11 2012 (70 O.S. Supp. 2012, Sections 3-132 and 3-140),  
12 which relate to the Oklahoma Charter Schools Act;  
13 modifying criteria for charter schools sponsored by  
14 the State Board of Education; allowing the Department  
15 of Human Services or an entity contracting with the  
16 Department of Human Services to be a charter school  
17 applicant; clarifying certain term; modifying the  
18 physical location requirements of certain charter  
19 schools; modifying employment requirements of certain  
20 charter schools; modifying admission restrictions of  
21 certain charter schools; amending 70 O.S. 2011,  
22 Section 18-201.1, which relates to State Aid  
23 calculation; modifying certain calculation for  
24 students served by certain charter schools; providing  
an effective date; and declaring an emergency.

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

19 SECTION 1. AMENDATORY 70 O.S. 2011, Section 3-132, as  
20 amended by Section 1, Chapter 367, O.S.L. 2012 (70 O.S. Supp. 2012,  
21 Section 3-132), is amended to read as follows:

22 Section 3-132. A. The Oklahoma Charter Schools Act shall apply  
23 only to charter schools formed and operated under the provisions of  
24

1 the ~~act~~ Oklahoma Charter Schools Act. Charter schools shall be  
2 sponsored only as follows:

3 1. By a school district with an average daily membership of  
4 five thousand (5,000) or more and which all or part of the school  
5 district is located in a county having more than five hundred  
6 thousand (500,000) population according to the latest Federal  
7 Decennial Census;

8 2. By a school district which has a school site listed on the  
9 school improvement list as determined by the State Board of  
10 Education pursuant to the Elementary and Secondary Education Act of  
11 1965, as amended or reauthorized;

12 3. By a technology center school district if the charter school  
13 is located in a school district served by the technology center  
14 school district and the school district has an average daily  
15 membership of five thousand (5,000) or more and which all or part of  
16 the school district is located in a county having more than five  
17 hundred thousand (500,000) population according to the latest  
18 Federal Decennial Census;

19 4. By a technology center school district if the charter school  
20 is located in a school district served by the technology center  
21 school district and the school district has a school site listed on  
22 the school improvement list as determined by the State Board of  
23 Education pursuant to the Elementary and Secondary Education Act of  
24 1965, as amended or reauthorized;

1           5. By a comprehensive or regional institution that is a member  
2 of The Oklahoma State System of Higher Education if the charter  
3 school is located in a school district that has an average daily  
4 membership of five thousand (5,000) or more and which all or part of  
5 the school district is located in a county having more than five  
6 hundred thousand (500,000) population according to the latest  
7 Federal Decennial Census. In addition, the institution shall have a  
8 teacher education program accredited by the Oklahoma Commission for  
9 Teacher Preparation and have a branch campus or constituent agency  
10 physically located within the school district in which the charter  
11 school is located;

12           6. By a comprehensive or regional institution that is a member  
13 of the Oklahoma State System of Higher Education if the charter  
14 school is located in a school district that has a school site listed  
15 on the school improvement list as determined by the State Board of  
16 Education pursuant to the Elementary and Secondary Education Act of  
17 1965, as amended or reauthorized. In addition, the institution  
18 shall have a teacher education program accredited by the Oklahoma  
19 Commission for Teacher Preparation and have a branch campus or  
20 constituent agency physically located within the school district in  
21 which the charter school is located;

22           7. By a federally recognized Indian tribe, operating a high  
23 school under the authority of the Bureau of Indian Affairs as of  
24 November 1, 2010, if the charter school is for the purpose of

1 demonstrating native language immersion instruction, and is located  
2 within its former reservation or treaty area boundaries. For  
3 purposes of this paragraph, native language immersion instruction  
4 shall require that educational instruction and other activities  
5 conducted at the school site are primarily conducted in the native  
6 language;

7 8. By the State Board of Education when the applicant of the  
8 charter school is the Office of Juvenile Affairs ~~or~~, the applicant  
9 has a contract with the Office of Juvenile Affairs to provide a  
10 fixed rate level E, D, or D+ group home service, the applicant is  
11 the Oklahoma Department of Human Services, or the applicant has a  
12 contract with the Department of Human Services to provide youth  
13 services, and the charter school is for the purpose of providing  
14 education services to youth who are or have been in the custody or  
15 supervision of the state. Not more than two charter schools shall  
16 be sponsored by the Board as provided for in this paragraph during  
17 the period of time beginning July 1, 2010, through July 1, 2016; or

18 9. By the State Board of Education when the applicant of the  
19 charter school is the Statewide Virtual Charter School Board created  
20 in Section 3 of this act and the charter school is for the purpose  
21 of establishing a full-time statewide virtual charter school.

22 B. Any charter or enterprise school operating in the state  
23 pursuant to an agreement with the board of education of a school  
24 district on July 1, 1999, may continue to operate pursuant to that

1 agreement or may contract with the board of education of the school  
2 district pursuant to the Oklahoma Charter Schools Act. Nothing in  
3 the Oklahoma Charter Schools Act shall prohibit a school district  
4 from applying for exemptions from certain education-related  
5 statutory requirements as provided for in the Educational  
6 Deregulation Act.

7 C. For purposes of the Oklahoma Charter Schools Act, "charter  
8 school" means a public school established by contract with a board  
9 of education of a school district, an area vocational-technical  
10 school district, a higher education institution, a federally  
11 recognized Indian tribe, or the State Board of Education pursuant to  
12 the Oklahoma Charter Schools Act to provide learning that will  
13 improve student achievement and as defined in the Elementary and  
14 Secondary Education Act of 1965, 20 U.S.C. 8065.

15 D. A charter school may consist of a new school site, new  
16 school sites or all or any portion of an existing school site. An  
17 entire school district may not become a charter school site.

18 SECTION 2. AMENDATORY 70 O.S. 2011, Section 3-134, is  
19 amended to read as follows:

20 Section 3-134. A. For written applications filed after January  
21 1, 2008, prior to submission of the application to a proposed  
22 sponsor seeking to establish a charter school, the applicant shall  
23 be required to complete training which shall not exceed ten (10)  
24 hours provided by the State Department of Education on the process

1 and requirements for establishing a charter school. The Department  
2 shall develop and implement the training by January 1, 2008. The  
3 Department may provide the training in any format and manner that  
4 the Department determines to be efficient and effective including,  
5 but not limited to, web-based training.

6 B. Except as otherwise provided for in Section 3-137 of this  
7 title, an applicant seeking to establish a charter school shall  
8 submit a written application to the proposed sponsor as prescribed  
9 in subsection E of this section. The application shall include:

- 10 1. A mission statement for the charter school;
- 11 2. A description of the organizational structure and the  
12 governing body of the charter school;
- 13 3. A financial plan for the first three (3) years of operation  
14 of the charter school and a description of the treasurer or other  
15 officers or persons who shall have primary responsibility for the  
16 finances of the charter school. Such person shall have demonstrated  
17 experience in school finance or the equivalent thereof;
- 18 4. A description of the hiring policy of the charter school;
- 19 5. The name of the applicant or applicants and requested  
20 sponsor;
- 21 6. A description of the facility and location of the charter  
22 school;
- 23 7. A description of the grades being served;

24

1 8. An outline of criteria designed to measure the effectiveness  
2 of the charter school;

3 9. A demonstration of support for the charter school from  
4 residents of the school district which may include but is not  
5 limited to a survey of the school district residents or a petition  
6 signed by residents of the school district; and

7 10. Documentation that the applicants completed charter school  
8 training as set forth in subsection A of this section.

9 C. A board of education of a public school district, public  
10 body, public or private college or university, private person, ~~or~~  
11 private organization, including a business, may contract with a  
12 sponsor to establish a charter school. A private school shall not be  
13 eligible to contract for a charter school under the provisions of  
14 the Oklahoma Charter Schools Act.

15 D. The sponsor of a charter school is the board of education of  
16 a school district, the board of education of a technology center  
17 school district, a higher education institution, the State Board of  
18 Education, or a federally recognized Indian tribe which meets the  
19 criteria established in Section 3-132 of this title. Any board of  
20 education of a school district in the state may sponsor one or more  
21 charter schools. The physical location of a charter school  
22 sponsored by a board of education of a school district or a  
23 technology center school district shall be within the boundaries of  
24 the sponsoring school district. The physical location of a charter

1 school sponsored by the State Board of Education when the applicant  
2 of the charter school is the Office of Juvenile Affairs or an entity  
3 that has a contract with the Office of Juvenile Affairs shall be  
4 where an Office of Juvenile Affairs facility for youth or the  
5 facility of an entity contracting with the Office of Juvenile  
6 Affairs is located. The physical location of a charter school  
7 sponsored by the State Board of Education when the applicant of the  
8 charter school is the Department of Human Services or an entity that  
9 has a contract with the Department of Human Services to provide  
10 youth services, shall be where youth in state care or custody are  
11 being served.

12 E. An applicant for a charter school may submit an application  
13 to a proposed sponsor which shall either accept or reject  
14 sponsorship of the charter school within ninety (90) days of receipt  
15 of the application. If the proposed sponsor rejects the  
16 application, it shall notify the applicant in writing of the reasons  
17 for the rejection. The applicant may submit a revised application  
18 for reconsideration to the proposed sponsor within thirty (30) days  
19 after receiving notification of the rejection. The proposed sponsor  
20 shall accept or reject the revised application within thirty (30)  
21 days of its receipt.

22 F. A board of education of a school district, board of  
23 education of a technology center school district, higher education  
24 institution, or federally recognized Indian tribe sponsor of a

1 charter school shall notify the State Board of Education when it  
2 accepts sponsorship of a charter school. The notification shall  
3 include a copy of the charter of the charter school.

4 G. If a proposed sponsor rejects the revised application for a  
5 charter school, the applicant may proceed to mediation or binding  
6 arbitration or both mediation and binding arbitration as provided in  
7 the Dispute Resolution Act and the rules promulgated pursuant  
8 thereto. The applicant shall contact the early settlement program  
9 for the county in which the charter school would be located. If the  
10 parties proceed to binding arbitration, a panel of three arbitrators  
11 shall be appointed by the director of the early settlement program  
12 handling the dispute. The proposed sponsor shall pay the cost for  
13 any mediation or arbitration requested pursuant to this section.

14 H. If a board of education of a technology center school  
15 district, a higher education institution, the State Board of  
16 Education, or a federally recognized Indian tribe accepts  
17 sponsorship of a charter school, the administrative, fiscal and  
18 oversight responsibilities of the technology center school district,  
19 the higher education institution, or the federally recognized Indian  
20 tribe shall be listed in the contract. No responsibilities shall be  
21 delegated to a school district unless the local school district  
22 agrees to assume the responsibilities.

23 SECTION 3. AMENDATORY 70 O.S. 2011, Section 3-135, is  
24 amended to read as follows:

1 Section 3-135. A. The sponsor of a charter school shall enter  
2 into a written contract with the governing body of the charter  
3 school. The contract shall incorporate the provisions of the  
4 charter of the charter school and contain, but shall not be limited  
5 to, the following provisions:

6 1. A description of the program to be offered by the school  
7 which complies with the purposes outlined in Section ~~44~~ 3-136 of  
8 this ~~act~~ title;

9 2. Admission policies and procedures;

10 3. Management and administration of the charter school;

11 4. Requirements and procedures for program and financial  
12 audits;

13 5. A description of how the charter school will comply with the  
14 charter requirements set forth in the Oklahoma Charter Schools Act;

15 6. Assumption of liability by the charter school; and

16 7. The term of the contract.

17 B. A charter school shall not enter into an employment contract  
18 with any teacher or other personnel until the charter school has a  
19 contract with a sponsoring board of education of a school district,  
20 board of education of a technology center school district, a higher  
21 education institution, the State Board of Education or a federally  
22 recognized Indian tribe. The employment contract shall set forth  
23 the personnel policies of the charter school, including, but not  
24 limited to, policies related to certification, professional

1 development evaluation, suspension, dismissal and nonreemployment,  
2 sick leave, personal business leave, emergency  
3 leave, and family and medical leave. The contract shall also  
4 specifically set forth the salary, hours, fringe benefits, and work  
5 conditions. The contract may provide for employer-employee  
6 bargaining, but the charter school shall not be required to comply  
7 with the provisions of Sections 509.1 through 509.10 of Title 70 of  
8 the Oklahoma Statutes. The contract shall conform to all applicable  
9 provisions set forth in Section ~~11~~ 3-136 of this ~~act~~ title.

10 Upon contracting with any teacher or other personnel, the  
11 governing body of the charter school shall, in writing, disclose  
12 employment rights of the employees in the event the charter school  
13 closes or the charter is not renewed.

14 SECTION 4. AMENDATORY 70 O.S. 2011, Section 3-140, as  
15 amended by Section 2, Chapter 367, O.S.L. 2012 (70 O.S. Supp. 2012,  
16 Section 3-140), is amended to read as follows:

17 Section 3-140. A. Except for a charter school sponsored by the  
18 State Board of Education, a charter school shall enroll those  
19 students whose legal residence is within the boundaries of the  
20 school district in which the charter school is located and who  
21 submit a timely application, or those students who transfer to the  
22 district in which the charter school is located in accordance with  
23 Section 8-103 or 8-104 of this title, unless the number of  
24 applications exceeds the capacity of a program, class, grade level,

1 or building. Students who reside in a school district where a  
2 charter school is located shall not be required to obtain a transfer  
3 in order to attend a charter school in the school district of  
4 residence. If capacity is insufficient to enroll all eligible  
5 students, the charter school shall select students through a lottery  
6 selection process. Except for a charter school sponsored by the  
7 State Board of Education, a charter school shall give enrollment  
8 preference to eligible students who reside within the boundaries of  
9 the school district in which the charter school is located. Except  
10 for a charter school sponsored by the State Board of Education, a  
11 charter school created after ~~the effective date of this act~~ November  
12 1, 2010, shall give enrollment preference to eligible students who  
13 reside within the boundaries of the school district in which the  
14 charter school is located and who attend a school site listed on the  
15 school improvement list as determined by the State Board of  
16 Education pursuant to the Elementary and Secondary Education Act of  
17 1965, as amended or reauthorized. A charter school may limit  
18 admission to students within a given age group or grade level. A  
19 charter school sponsored by the State Board of Education when the  
20 applicant of the charter school is the Office of Juvenile Affairs or  
21 an entity that has a contract with the Office of Juvenile Affairs to  
22 provide fixed rate level E, D, or D+ group home services shall ~~limit~~  
23 ~~admission to youth that are in the custody or supervision of the~~  
24 ~~Office of Juvenile Affairs~~ admit students in accordance with the

1 provisions of this subsection. A charter school sponsored by the  
2 State Board of Education when the applicant is the Department of  
3 Human Services or an entity that has a contract with the Department  
4 of Human Services to provide youth services shall admit students in  
5 accordance with the provisions of this subsection. A charter school  
6 sponsored by the State Board of Education when the applicant of the  
7 charter school is the Statewide Virtual Charter School Board shall  
8 enroll those students who are legal residents of this state and who  
9 have been approved for a transfer pursuant to Section 8-103 or 8-104  
10 of this title.

11 B. Except for a charter school sponsored by the State Board of  
12 Education, a charter school shall admit students who reside in the  
13 attendance area of a school or in a school district that is under a  
14 court order of desegregation or that is a party to an agreement with  
15 the United States Department of Education Office for Civil Rights  
16 directed towards mediating alleged or proven racial discrimination  
17 unless notice is received from the resident school district that  
18 admission of the student would violate the court order or agreement.

19 C. A charter school may designate a specific geographic area  
20 within the school district in which the charter school is located as  
21 an academic enterprise zone and may limit admissions to students who  
22 reside within that area. An academic enterprise zone shall be a  
23 geographic area in which sixty percent (60%) or more of the children  
24

1 who reside in the area qualify for the free or reduced school lunch  
2 program.

3 D. Except as provided in subsections B and C of this section, a  
4 charter school shall not limit admission based on ethnicity,  
5 national origin, gender, income level, disabling condition,  
6 proficiency in the English language, measures of achievement,  
7 aptitude, or athletic ability.

8 SECTION 5. AMENDATORY 70 O.S. 2011, Section 18-201.1, is  
9 amended to read as follows:

10 Section 18-201.1. A. Beginning with the 1997-98 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. The weighted calculations provided for in subsection A of  
24 this section shall be based on the highest weighted average daily

1 membership of the first nine (9) weeks of the current school year,  
2 the preceding school year or the second preceding school year of a  
3 school district, unless otherwise specified. The highest of the  
4 three (3) weighted average daily memberships shall be used  
5 consistently in all of the calculations; however, the portion of  
6 weighted membership derived from nonresident, transferred pupils  
7 enrolled in online courses shall be based on the weighted average  
8 daily membership of the first nine (9) weeks of the current school  
9 year. The average daily membership data used for all calculations  
10 in paragraphs 1, 2, 3 and 4 of this subsection shall be the same as  
11 used in the calculation of the State Aid Formula. The weighted  
12 calculations provided for in subsection A of this section shall be  
13 determined as follows:

14 1. The weighted pupil grade level calculation shall be  
15 determined by taking the highest average daily membership and  
16 assigning weights to the pupils according to grade attended as  
17 follows:

18	GRADE LEVEL	WEIGHT
19	a. Half-day early childhood programs	.7
20	b. Full-day early childhood programs	1.3
21	c. Half-day kindergarten	1.3
22	d. Full-day kindergarten	1.5
23	e. First and second grade	1.351
24	f. Third grade	1.051



1 out-of-home placement weight and any weighted pupil category for  
2 that student, but the charter school shall not receive the pupil  
3 grade level weight. Provided, if a student resides in a juvenile  
4 detention center that is restricted to less than twelve (12) beds,  
5 the out-of-home placement pupil weight for such students shall be  
6 calculated as follows: for a center with six (6) beds - 3.0; for a  
7 center with eight (8) beds - 2.3 and for a center with ten (10) beds  
8 - 1.80.

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

11	CATEGORY	WEIGHT
12	a. Vision Impaired	3.8
13	b. Learning Disabilities	.4
14	c. Deaf or Hard-of-Hearing	2.9
15	d. Deaf and Blind	3.8
16	e. Educable Mentally Handicapped	1.3
17	f. Emotionally Disturbed	2.5
18	g. Gifted	.34
19	h. Multiple Handicapped	2.4
20	i. Physically Handicapped	1.2
21	j. Speech Impaired	.05
22	k. Trainable Mentally Handicapped	1.3
23	l. Bilingual	.25
24	m. Special Education Summer Program	1.2

1 n. Economically Disadvantaged .25

2 o. Optional Extended School Year

3 Program

As determined by

4 the State Board

5 of Education

6 Except as otherwise provided, multiply the number of pupils approved  
7 in the school year with the highest average daily membership in each  
8 category by the weight assigned to such category and add the totals  
9 together to determine the weighted pupil category calculation for a  
10 school district. For the 1996-97 school year, the number to be  
11 multiplied by the weight assigned to the gifted category in  
12 subparagraph g of this paragraph shall be the lesser of (1) the sum  
13 of the number of students who scored in the top three percent (3%)  
14 on any national standardized test of intellectual ability plus the  
15 number of students identified as gifted pursuant to subparagraphs a  
16 through d of paragraph 1 of Section 1210.301 of this title or (2)  
17 the sum of the number of students who scored in the top three  
18 percent (3%) on any national standardized test of intellectual  
19 ability plus eight percent (8%) of the total average daily  
20 membership of the school district for the preceding school year.  
21 For the 1997-98 school year and subsequent school years, the number  
22 to be multiplied by the weight assigned to the gifted category in  
23 subparagraph g of this paragraph shall be the lesser of (1) the sum  
24 of the number of students who scored in the top three percent (3%)

1 on any national standardized test of intellectual ability plus the  
2 number of students identified as gifted pursuant to subparagraphs a  
3 through d of paragraph 1 of Section 1210.301 of this title, or (2)  
4 the sum of the number of students who scored in the top three  
5 percent (3%) on any national standardized test of intellectual  
6 ability plus eight percent (8%) of the total average daily  
7 membership of the school district for the first nine (9) weeks of  
8 the school year.

9 3. The weighted district calculation shall be determined by  
10 determining the calculations for each school district for both the  
11 small school district formula and the district sparsity - isolation  
12 formula, applying whichever is the greater of the calculations of  
13 the two formulas and then applying the restrictions pursuant to  
14 subparagraph c of this paragraph.

15 a. Small school district formula:  $529 \text{ minus the average}$   
16  $\text{daily membership divided by } 529 \text{ times } .2 \text{ times total}$   
17  $\text{average daily membership.}$

18 The small school district formula calculation shall apply  
19 only to school districts whose highest average daily  
20 membership is less than 529 pupils. School districts which  
21 are consolidated or annexed after July 1, 2003, pursuant to  
22 the Oklahoma School Voluntary Consolidation and Annexation  
23 Act shall have the weighted district size calculation for  
24 the three (3) school years following the fiscal year in

1 which such consolidation occurred calculated to be the sum  
2 of the individual consolidated districts computed as if the  
3 consolidation had not taken place. Thereafter, any such  
4 district which is consolidated pursuant to the Oklahoma  
5 School Voluntary Consolidation and Annexation Act shall not  
6 qualify for the weighted district calculation unless the  
7 district can satisfy the specifications herein. Subject to  
8 the provisions of subparagraph c of this paragraph, the  
9 resulting number shall be counted as additional students  
10 for the purpose of calculating State Aid.

11 b. District sparsity - isolation formula:

12 The district sparsity - isolation formula calculation shall  
13 apply only to school districts:

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

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

22 The district sparsity - isolation formula calculation shall  
23 be calculated as follows:

1 The school district student cost factor multiplied by  
2 the school district area factor. The resulting  
3 product shall be multiplied by the school district's  
4 average daily membership. Subject to the provisions  
5 of subparagraph c of this paragraph, the resulting  
6 number shall be counted as additional students for the  
7 purpose of calculating State Aid.

8 The school district student cost factor shall be calculated  
9 as follows:

10 The school district's average daily membership shall  
11 be categorized into the following grade level groups  
12 and applied to the appropriate formulas as computed  
13 below:

14 Grade Level Group

15 Grades K-5 Divide 74 by the sum of the Grade  
16 Level ADM plus 23,  
17 add .85 to the quotient, then  
18 multiply the sum by the Grade  
19 Level ADM.

20 Grades 6-8 Divide 122 by the sum of the Grade  
21 Level ADM plus 133,  
22 add .85 to the quotient, then  
23 multiply the sum by the Grade  
24 Level ADM.

1        Grades 9-12                    Divide 292 by the sum of the Grade  
2    Level ADM plus 128,  
3    add .78 to the quotient, then  
4    multiply the sum by the Grade  
5    Level ADM.

6                    The sum of the grade level group's average daily  
7                    membership shall be divided by the school district's  
8                    average daily membership. The number one (1.0) shall  
9                    be subtracted from the resulting quotient.

10                  The school district area cost factor shall be calculated as  
11                  follows:

12                          Subtract the state average district area from the  
13                          district area, then divide the remainder by the state  
14                          average district area;

15                  however, the district area cost factor shall not exceed one  
16                  (1.0).

17                  The State Board of Education shall define geographical barriers  
18                  whose location in a school district would inhibit the district from  
19                  consolidation or annexation. The Board shall make available an  
20                  application process, review applications, and for districts the  
21                  Board deems necessary allow additional square miles to be used for  
22                  the purposes of calculations used for the weighted district sparsity  
23                  - isolation formula. Provided, that the additional square miles  
24

1 allowed for geographical barriers shall not exceed thirty percent  
2 (30%) of the district's actual size.

3 c. State Aid funds which a district is calculated to  
4 receive as a result of the weighted district  
5 calculation shall be restricted as follows:

6 If, after the weighted district calculation is  
7 applied, the district's projected per pupil  
8 revenue exceeds one hundred fifty percent (150%)  
9 of the projected state average per pupil revenue,  
10 then the district's State Aid shall be reduced by  
11 an amount that will restrict the district's  
12 projected per pupil revenue to one hundred fifty  
13 percent (150%) of the projected state average per  
14 pupil revenue. Provided, in applying the  
15 restriction provided in this division, the  
16 district's State Aid shall not be reduced by an  
17 amount greater than by the amount of State Aid  
18 which was generated by the weighted district  
19 calculation.

20 The July calculation of the projected per pupil  
21 revenue shall be determined by dividing the highest of  
22 the district's preceding two years average daily  
23 membership (ADM) as weighted by the pupil grade level,  
24 the pupil category, the district and the teacher

1 experience degree index calculations for projected  
2 State Aid into the district's projected total revenues  
3 including projected funds for the State Aid Formula  
4 for the preceding year, net assessed valuation for the  
5 preceding calendar year times thirty-nine (39) mills,  
6 county revenues excluding the county four-mills  
7 revenues for the second preceding year, other state  
8 appropriations for the preceding year and the  
9 collections for the preceding year of state  
10 apportionment, motor vehicle revenue, gross production  
11 tax and R.E.A. tax.

12 The December calculation of the projected per pupil  
13 revenue shall be determined by dividing the highest of  
14 the district's first nine (9) weeks of the current  
15 school year or the two preceding school years average  
16 daily membership (ADM) as weighted by the pupil grade  
17 level, the pupil category, the district and the  
18 teacher experience degree index calculations for  
19 projected State Aid into the district's projected  
20 total revenues including funds for the December  
21 calculation of the current year State Aid Formula, net  
22 assessed valuation for the current calendar year times  
23 thirty-nine (39) mills, county revenues excluding the  
24 county four-mills revenue for the preceding year,

1 other state appropriations for the preceding year and  
2 the collections for the preceding year of state  
3 apportionment, motor vehicle revenue, gross production  
4 tax and R.E.A. tax.

5 The district's projected total revenues for each  
6 calculation shall exclude the following collections  
7 for the second preceding year: federal revenue,  
8 insurance loss payments, reimbursements, recovery of  
9 overpayments and refunds, unused reserves, prior  
10 expenditures recovered, prior year surpluses, and  
11 other local miscellaneous revenues.

12 4. The weighted teacher experience and degree calculation shall  
13 be determined in accordance with the teacher experience and degree  
14 index. The State Department of Education shall determine an index  
15 for each state teacher by using data supplied in the school  
16 district's teacher personnel reports of the preceding year and  
17 utilizing the index as follows:

18 TEACHER EXPERIENCE - DEGREE INDEX

19 EXPERIENCE	BACHELOR'S	MASTER'S	DOCTOR'S
	DEGREE	DEGREE	DEGREE
21 0 - 2	.7	.9	1.1
22 3 - 5	.8	1.0	1.2
23 6 - 8	.9	1.1	1.3
24 9 - 11	1.0	1.2	1.4

1	12 - 15	1.1	1.3	1.5
2	Over 15	1.2	1.4	1.6

3       The school district teacher index for each school district shall  
4 be determined by subtracting the weighted average state teacher from  
5 the weighted average district teacher. Multiply the school district  
6 teacher index if greater than zero by .7 and then multiply that  
7 product by the sum of the district's weighted pupil grade level  
8 calculation provided in paragraph 1 of this subsection and the  
9 weighted pupil category calculation provided in subparagraph n of  
10 paragraph 2 of this subsection to determine the weighted teacher  
11 experience and degree calculation.

12       SECTION 6. This act shall become effective July 1, 2013.

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

17  
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