

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                                   STATE OF OKLAHOMA

3                                   2nd Session of the 56th Legislature (2018)

4 COMMITTEE SUBSTITUTE  
5 FOR ENGROSSED  
6 SENATE BILL NO. 929

By: Stanislawski of the Senate

and

Baker of the House

8  
9  
10                                   COMMITTEE SUBSTITUTE

11                   An Act relating to the State Aid Formula; amending 70  
12 O.S. 2011, Section 18-109.5, which relates to  
13 definitions; modifying terms; adding and removing  
14 definitions; amending 70 O.S. 2011, Section 18-201.1,  
15 which relates to calculating a school district's  
16 weighted membership; modifying references; adding  
17 certain pupil category; providing an effective date;  
18 and declaring an emergency.

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

20                   SECTION 1.           AMENDATORY           70 O.S. 2011, Section 18-109.5, is  
21 amended to read as follows:

22                   Section 18-109.5 A. As used in ~~Sections 18-201~~ and Section 18-  
23 201.1 of this title:

24                   1. "~~Vision impaired~~ Visual impairment" means ~~a visual~~ an  
impairment ~~which~~ in vision that, even with correction, adversely

1 affects a child's educational performance. This includes both  
2 partial sight and blindness;

3 2. "~~Children with Specific learning disabilities~~ disability"  
4 means a disorder in one or more of the basic psychological processes  
5 involved in understanding or in using language, ~~written or spoken or~~  
6 written, which that may manifest itself in ~~an~~ the imperfect ability  
7 to listen, think, speak, read, write, spell or to do mathematical  
8 calculations. ~~The term includes,~~ including conditions such  
9 ~~conditions~~ as perceptual ~~handicaps~~ disabilities, brain injury,  
10 minimal brain dysfunction, dyslexia and developmental aphasia. The  
11 term does not include learning problems that are primarily the  
12 result of visual, hearing or motor disabilities, of intellectual  
13 disability, of emotional disturbance or of environmental, cultural  
14 or economic disadvantage;

15 3. "~~Deaf or hard of hearing~~" "Deafness" means a hearing  
16 impairment, ~~whether permanent or fluctuating, which that is so~~  
17 severe that the child is impaired in processing linguistic  
18 information through hearing, with or without amplification, that  
19 adversely affects a child's educational performance;

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

22 5. "~~Educable mentally handicapped~~" "Intellectual disability"  
23 means significantly subaverage general intellectual functioning,  
24 existing concurrently with deficits in adaptive behavior and

1 manifested during the development period, ~~which~~ that adversely  
2 affects a child's educational performance;

3 6. "~~Emotionally disturbed~~ Emotional disturbance" means  
4 ~~emotional problems preventing adjustment in regular class including~~  
5 a condition exhibiting one or more of the following characteristics  
6 over a long period of time and to a marked degree that adversely  
7 affects a child's educational performance:

- 8 a. an inability to learn which cannot be explained by
- 9 intellectual, sensory or health factors,
- 10 b. an inability to build or maintain satisfactory
- 11 interpersonal relationships with peers and teachers,
- 12 c. inappropriate types of behavior or feelings under
- 13 normal circumstances,
- 14 d. a general pervasive mood of unhappiness or depression,
- 15 or
- 16 e. a tendency to develop physical symptoms or fears
- 17 associated with personal or school problems~~†~~.

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

21 7. "Gifted" means identified students as outlined in Section  
22 1210.301 of this title;

23 8. "~~Multiple handicapped~~" "Hearing impairment" means an  
24 impairment in hearing, whether permanent or fluctuating, that

1 adversely affects a child's educational performance but that is not  
2 included under the definition of "deafness";

3 9. "Multiple disabilities" means concomitant impairments, such  
4 as ~~mentally retarded/blind, mentally retarded/orthopedically~~  
5 ~~impaired, and other combinations~~ intellectual disability-blindness  
6 or intellectual disability-orthopedic impairment, the combination of  
7 which causes such severe educational ~~problems~~ needs that they cannot  
8 be accommodated in special education programs solely for one of the  
9 impairments. The term does not include ~~deaf/blind children~~ deaf-  
10 blindness;

11 9. "Physically handicapped"

12 10. "Orthopedic impairment" means a severe orthopedic  
13 impairment ~~or an autistic condition which is manifested by severe~~  
14 ~~communication and other developmental and educational problems; or~~  
15 ~~having limited strength, vitality or alertness, due to chronic or~~  
16 ~~acute health problems such as a heart condition, tuberculosis,~~  
17 ~~rheumatic fever, nephritis, asthma, sickle cell anemia, hemophilia,~~  
18 ~~epilepsy, lead poisoning, leukemia, or diabetes, which that~~  
19 adversely affects a child's educational performance. The term  
20 includes impairments caused by a congenital anomaly, impairments  
21 caused by disease such as poliomyelitis and bone tuberculosis, and  
22 impairments from other causes such as cerebral palsy, amputations  
23 and fractures or burns that cause contractures;

24

1       ~~10.~~ 11. "Other health impairment" means having limited  
2 strength, vitality or alertness, including a heightened alertness to  
3 environmental stimuli, that results in limited alertness with  
4 respect to the educational environment that adversely affects a  
5 child's educational performance and is due to chronic or acute  
6 health problems such as asthma, attention deficit disorder or  
7 attention deficit hyperactivity disorder, diabetes, epilepsy, a  
8 heart condition, hemophilia, lead poisoning, leukemia, nephritis,  
9 rheumatic fever, sickle cell anemia and Tourette syndrome;

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

14       ~~11. "Trainable mentally handicapped" means significantly~~  
15 ~~subaverage general intellectual functioning existing concurrently~~  
16 ~~with deficits in adaptive behavior and manifested during the~~  
17 ~~development period, which adversely affects a child's educational~~  
18 ~~performance;~~

19       ~~12.~~ 13. "Deaf/Blind Deaf-blindness" means concomitant hearing  
20 and visual impairments, the combination of which causes such severe  
21 communication and other developmental and educational problems that  
22 they cannot be accommodated in special education programs solely for  
23 deaf or blind children with deafness or children with blindness;

1        ~~13.~~ 14. "Autism" means a developmental disability significantly  
2 affecting verbal and nonverbal communication and social interaction,  
3 generally evident before age three, that adversely affects a child's  
4 educational performance. Other characteristics often associated  
5 with autism are engagement in repetitive activities and stereotyped  
6 movements, resistance to environmental change or change in daily  
7 routines, and unusual responses to sensory experiences. Autism does  
8 not apply if a child's educational performance is adversely affected  
9 primarily because the child has an emotional disturbance, as defined  
10 in this subsection;

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

23        16. "Bilingual" means those students who have limited English  
24 speaking abilities or who come from homes where English is not the

1 dominant language as reported on the current year application for  
2 accreditation;

3 ~~14.~~ 17. "Special Education Summer Program" means those summer  
4 school programs which school districts may provide for children who  
5 are severely or profoundly multiple-handicapped if their  
6 individualized education program states the need for a continuing  
7 educational experience to prevent loss of educational achievement or  
8 basic life skills. Any school district receiving funds for such  
9 special education summer programs shall provide services as provided  
10 in Section 13-101 of this title; and

11 ~~15.~~ 18. "Optional Extended School Year Program" means the  
12 program defined in Section 1-109.1 of this title.

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

17 SECTION 2. AMENDATORY 70 O.S. 2011, Section 18-201.1, is  
18 amended to read as follows:

19 Section 18-201.1 A. Beginning with the 1997-98 school year,  
20 and each school year thereafter, the weighted membership of a school  
21 district for calculation of Foundation Aid purposes pursuant to  
22 paragraph 1 of subsection D of Section 18-200.1 of this title shall  
23 be the sum of the weighted pupil grade level calculation, the  
24 weighted pupil category calculation, the weighted district

1 calculation and the weighted teacher experience and degree  
2 calculation. The weighted membership of a school district for  
3 calculation of Salary Incentive Aid purposes pursuant to paragraph 3  
4 of subsection D of Section 18-200.1 of this title shall be the sum  
5 of the weighted pupil grade level calculation, the weighted pupil  
6 category calculation, the weighted district calculation, and the  
7 weighted teacher experience and degree calculation.

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

23 1. The weighted pupil grade level calculation shall be  
24 determined by taking the highest average daily membership and

1 assigning weights to the pupils according to grade attended as  
2 follows:

3	GRADE LEVEL	WEIGHT
4	a. Half-day early childhood programs	.7
5	b. Full-day early childhood programs	1.3
6	c. Half-day kindergarten	1.3
7	d. Full-day kindergarten	1.5
8	e. First and second grade	1.351
9	f. Third grade	1.051
10	g. Fourth through sixth grade	1.0
11	h. Seventh through twelfth grade	1.2
12	i. Out-of-home placement	1.50

13 Multiply the membership of each subparagraph of this paragraph by  
14 the weight assigned to such subparagraph of this paragraph and add  
15 the totals together to determine the weighted pupil grade level  
16 calculation for a school district. Determination of the pupils  
17 eligible for the early childhood program weight shall be pursuant to  
18 the provisions of Section 1-114 of this title. The pupils eligible  
19 for the out-of-home placement pupil weight shall be students who are  
20 not residents of the school district in which they are receiving  
21 education pursuant to the provisions of subsection D of Section 1-  
22 113 of this title. Such weight may be claimed by the district  
23 providing educational services to such student for the days that  
24 student is enrolled in that district. If claimed, the out-of-home

1 placement weight shall be in lieu of the pupil grade level and any  
 2 pupil category weights for that student. Provided, if a student  
 3 resides in a juvenile detention center that is restricted to less  
 4 than twelve (12) beds, the out-of-home placement pupil weight for  
 5 such students shall be calculated as follows: for a center with six  
 6 (6) beds - 3.0; for a center with eight (8) beds - 2.3 and for a  
 7 center with ten (10) beds - 1.80.

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

10	CATEGORY	WEIGHT
11	a. <del>Vision Impaired</del> <u>Visual Impairment</u>	3.8
12	b. <u>Specific Learning Disabilities</u> <del>Disabilities</del> <u>Disability</u>	.4
13	c. <del>Deaf or Hard of Hearing</del>	
14	<u>Deafness or Hearing Impairment</u>	2.9
15	d. <del>Deaf and Blind</del> <u>Deaf-Blindness</u>	3.8
16	e. <del>Educable Mentally Handicapped</del>	
17	<u>Intellectual Disability</u>	1.3
18	f. <del>Emotionally Disturbed</del> <u>Emotional</u>	
19	<u>Disturbance</u>	2.5
20	g. Gifted	.34
21	h. Multiple <del>Handicapped</del> <u>Disabilities</u>	2.4
22	i. <del>Physically Handicapped</del>	
23	<u>Orthopedic Impairment</u>	1.2
24	j. Speech <del>Impaired</del> <u>or Language Impairment</u>	.05

1	k.	<del>Trainable Mentally Handicapped</del>	<del>1.3</del>
2	<del>l.</del>	Bilingual	.25
3	<del>m.</del>		
4	<u>l.</u>	Special Education Summer Program	1.2
5	<del>n.</del>		
6	<u>m.</u>	Economically Disadvantaged	.25
7	<del>o.</del>		
8	<u>n.</u>	Optional Extended School Year	
9		Program	As determined by
10			the State Board
11			of Education
12	<u>o.</u>	<u>Autism</u>	<u>2.4</u>
13	<u>p.</u>	<u>Traumatic Brain Injury</u>	<u>2.4</u>
14	<u>q.</u>	<u>Other Health Impairment</u>	<u>1.2</u>

15 Except as otherwise provided, multiply the number of pupils approved  
16 in the school year with the highest average daily membership in each  
17 category by the weight assigned to such category and add the totals  
18 together to determine the weighted pupil category calculation for a  
19 school district. For the 1996-97 school year, the number to be  
20 multiplied by the weight assigned to the gifted category in  
21 subparagraph g of this paragraph shall be the lesser of (1) the sum  
22 of the number of students who scored in the top three percent (3%)  
23 on any national standardized test of intellectual ability plus the  
24 number of students identified as gifted pursuant to subparagraphs a

1 through d of paragraph 1 of Section 1210.301 of this title or (2)  
2 the sum of the number of students who scored in the top three  
3 percent (3%) on any national standardized test of intellectual  
4 ability plus eight percent (8%) of the total average daily  
5 membership of the school district for the preceding school year.  
6 For the 1997-98 school year and subsequent school years, the number  
7 to be multiplied by the weight assigned to the gifted category in  
8 subparagraph g of this paragraph shall be the lesser of (1) the sum  
9 of the number of students who scored in the top three percent (3%)  
10 on any national standardized test of intellectual ability plus the  
11 number of students identified as gifted pursuant to subparagraphs a  
12 through d of paragraph 1 of Section 1210.301 of this title, or (2)  
13 the sum of the number of students who scored in the top three  
14 percent (3%) on any national standardized test of intellectual  
15 ability plus eight percent (8%) of the total average daily  
16 membership of the school district for the first nine (9) weeks of  
17 the school year.

18 3. The weighted district calculation shall be determined by  
19 determining the calculations for each school district for both the  
20 small school district formula and the district sparsity - isolation  
21 formula, applying whichever is the greater of the calculations of  
22 the two formulas and then applying the restrictions pursuant to  
23 subparagraph c of this paragraph.

24

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 highest of  
7 the district's preceding two years average daily  
8 membership (ADM) as weighted by the pupil grade level,  
9 the pupil category, the district and the teacher  
10 experience degree index calculations for projected  
11 State Aid into the district's projected total revenues  
12 including projected funds for the State Aid Formula  
13 for the 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 highest of  
23 the district's first nine (9) weeks of the current  
24 school year or the two preceding school years 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 n of  
19 paragraph 2 of this subsection to determine the weighted teacher  
20 experience and degree calculation.

21 SECTION 3. This act shall become effective July 1, 2018.

22 SECTION 4. It being immediately necessary for the preservation  
23 of the public peace, health or safety, an emergency is hereby  
24

1 declared to exist, by reason whereof this act shall take effect and  
2 be in full force from and after its passage and approval.

3

4 COMMITTEE REPORT BY: COMMITTEE ON COMMON EDUCATION, dated 04/16/2018  
5 - DO PASS, As Amended.

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