

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 58th Legislature (2021)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 2890

By: Wallace and Hilbert of the
House

and

Thompson and Hall of the
Senate

11 COMMITTEE SUBSTITUTE

12 An Act relating to school funding; amending 70 O.S.
13 2011, Section 18-200.1, as amended by Section 11 of
14 Enrolled Senate Bill No. 1064 of the 1st Session of
15 the 58th Oklahoma Legislature, which relates to State
16 Aid; prohibiting assessment of carryover penalty in
17 certain fiscal years; amending 70 O.S. 2011, Section
18 18-200.1, as amended by Section 1 of Enrolled House
19 Bill No. 2078 of the 1st Session of the 58th Oklahoma
20 Legislature, which relates to State Aid; modifying
21 years of data to be used for the July per pupil
22 revenue calculation; prohibiting assessment of
23 carryover penalty in certain fiscal years; amending
24 70 O.S. 2011, Section 18-201.1, as last amended by
 Section 2 of Enrolled House Bill No. 2078 of the 1st
 Session of the 58th Oklahoma Legislature, which
 relates to school district weighted membership;
 adjusting years of data to be used for July projected
 per pupil revenue calculation; modifying years to be
 excluded in the projected total revenue calculations;
 providing effective date; and declaring an emergency.

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

2 SECTION 1. AMENDATORY 70 O.S. 2011, Section 18-200.1, as
3 amended by Section 11 of Enrolled Senate Bill No. 1064 of the 1st
4 Session of the 58th Oklahoma Legislature, is amended to read as
5 follows:

6 Section 18-200.1 A. Beginning with the 2020-21 school year,
7 and each school year thereafter, each school district shall have its
8 initial allocation of State Aid calculated based on the state
9 dedicated revenues actually collected during the preceding fiscal
10 year, the adjusted assessed valuation of the preceding year and the
11 highest weighted average daily membership for the school district of
12 the two (2) preceding school years. Each school district shall
13 submit the following data based on the first nine (9) weeks, to be
14 used in the calculation of the average daily membership of the
15 school district:

- 16 1. Student enrollment by grade level;
- 17 2. Pupil category counts; and
- 18 3. Transportation supplement data.

19 On or before December 30, the State Department of Education
20 shall determine each school district's current year allocation
21 pursuant to subsection D of this section. The State Department of
22 Education shall complete an audit, using procedures established by
23 the Department, of the student enrollment by grade level data, pupil
24 category counts and transportation supplement data to be used in the

1 State Aid Formula pursuant to subsection D of this section by
2 December 1 and by January 15 shall notify each school district of
3 the district's final State Aid allocation for the current school
4 year. The January payment of State Aid and each subsequent payment
5 for the remainder of the school year shall be based on the final
6 State Aid allocation as calculated in subsection D of this section.
7 Except for reductions made due to the assessment of penalties by the
8 State Department of Education according to law, the January payment
9 of State Aid and each subsequent payment for the remainder of the
10 school year shall not decrease by an amount more than the amount
11 that the current chargeable revenue increases for that district.

12 B. The State Department of Education shall retain not less than
13 one and one-half percent (1 1/2%) of the total funds appropriated
14 for financial support of schools, to be used to make midyear
15 adjustments in State Aid and which shall be reflected in the final
16 allocations. If the amount of appropriated funds, including the one
17 and one-half percent (1 1/2%) retained, remaining after January 1 of
18 each year is not sufficient to fully fund the final allocations, the
19 Department shall recalculate each school district's remaining
20 allocation pursuant to subsection D of this section using the
21 reduced amount of appropriated funds.

22 C. On and after July 1, 1997, the amount of State Aid each
23 district shall receive shall be the sum of the Foundation Aid, the
24 Salary Incentive Aid and the Transportation Supplement, as adjusted

1 pursuant to the provisions of subsection G of this section and
2 Section 18-112.2 of this title; provided, no district having per
3 pupil revenue in excess of three hundred percent (300%) of the
4 average per pupil revenue of all districts shall receive any State
5 Aid or Supplement in State Aid.

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

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

20 D. For the 1997-98 school year, and each school year
21 thereafter, Foundation Aid, the Transportation Supplement and Salary
22 Incentive Aid shall be calculated as follows:
23
24

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

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

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

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

1 the "adjusted assessed valuation of the current
2 school year" shall be the adjusted assessed
3 valuation on which tax revenues are collected
4 during the current school year, and

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

10 (3) Motor Vehicle Collections, and

11 (4) Gross Production Tax, and

12 (5) State Apportionment, and

13 (6) R.E.A. Tax.

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

20 2. The Transportation Supplement shall be equal to the average
21 daily haul times the per capita allowance times the appropriate
22 transportation factor.
23
24

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 |

| | | | | |
|----|---------------|----------|-----------------|---------|
| 1 | .5750 - .5916 | \$130.00 | 4.6667 - 4.9999 | \$62.00 |
| 2 | .5917 - .6133 | \$128.00 | 5.0000 - 5.5000 | \$59.00 |
| 3 | .6134 - .6399 | \$125.00 | 5.5001 - 6.0000 | \$57.00 |
| 4 | .6400 - .6666 | \$123.00 | 6.0001 - 6.5000 | \$55.00 |
| 5 | .6667 - .6933 | \$121.00 | 6.5001 - 7.0000 | \$53.00 |
| 6 | .6934 - .7199 | \$119.00 | 7.0001 - 7.3333 | \$51.00 |
| 7 | .7200 - .7466 | \$117.00 | 7.3334 - 7.6667 | \$48.00 |
| 8 | .7467 - .7733 | \$114.00 | 7.6668 - 8.0000 | \$46.00 |
| 9 | .7734 - .7999 | \$112.00 | 8.0001 - 8.3333 | \$44.00 |
| 10 | .8000 - .8266 | \$110.00 | 8.3334 - 8.6667 | \$42.00 |
| 11 | .8267 - .8533 | \$108.00 | 8.6668 - 9.0000 | \$40.00 |
| 12 | .8534 - .8799 | \$106.00 | 9.0001 - 9.3333 | \$37.00 |
| 13 | .8800 - .9066 | \$103.00 | 9.3334 - 9.6667 | \$35.00 |
| 14 | .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 highest weighted average daily membership based on the first nine (9) weeks of the current school year, the preceding school year or the second preceding school year of a school district, as determined by the provisions of subsection A of Section 18-201.1 of this title and paragraphs 1, 2, 3 and 4 of subsection B of Section 18-201.1 of this title.

1 b. Divide the district's adjusted assessed valuation of
2 the current school year minus the previous year's
3 protested ad valorem tax revenues held as prescribed
4 in Section 2884 of Title 68 of the Oklahoma Statutes,
5 by one thousand (1,000) and subtract the quotient from
6 the product of subparagraph a of this paragraph. The
7 remainder shall not be less than zero (0).

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

15 E. By June 30, 1998, the State Department of Education shall
16 develop and the Department and all school districts shall have
17 implemented a student identification system which is consistent with
18 the provisions of subsections C and D of Section 3111 of Title 74 of
19 the Oklahoma Statutes. The student identification system shall be
20 used specifically for the purpose of reporting enrollment data by
21 school sites and by school districts, the administration of the
22 Oklahoma School Testing Program Act, the collection of appropriate
23 and necessary data pursuant to the Oklahoma Educational Indicators
24 Program, determining student enrollment, establishing a student

1 mobility rate, allocation of the State Aid Formula and mid-year
2 adjustments in funding for student growth. This enrollment data
3 shall be submitted to the State Department of Education in
4 accordance with rules promulgated by the State Board of Education.
5 Funding for the development, implementation, personnel training and
6 maintenance of the student identification system shall be set out in
7 a separate line item in the allocation section of the appropriation
8 bill for the State Board of Education for each year.

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

2. In the event that the amount of funds a school district receives for reimbursement from the Ad Valorem Reimbursement Fund is less than the amount of funds claimed for reimbursement by the school district due to insufficiency of funds as provided in Section 193 of Title 62 of the Oklahoma Statutes, then the school district's assessed valuation for the school year that such ad valorem reimbursement is calculated in the State Aid Formula shall be adjusted accordingly.

G. 1. Notwithstanding the provisions of Section 18-112.2 of this title, a school district shall have its State Aid reduced by an amount equal to the amount of carryover in the general fund of the district as of June 30 of the preceding fiscal year, that is in 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 | 40% |
| \$1,000,000 - \$2,999,999 | 35% |
| \$3,000,000 - \$3,999,999 | 30% |
| \$4,000,000 - \$4,999,999 | 25% |
| \$5,000,000 - \$5,999,999 | 20% |
| \$6,000,000 - \$7,999,999 | 18% |
| \$8,000,000 - \$9,999,999 | 16% |

\$10,000,000 or more

14%

2. By February 1 the State Department of Education shall send by certified mail, with return receipt requested, to each School District Superintendent, Auditor and Regional Accreditation Officer a notice of and calculation sheet reflecting the general fund balance penalty to be assessed against that school district. Calculation of the general fund balance penalty shall not include federal revenue. Within thirty (30) days of receipt of this written notice the school district shall submit to the Department a written reply either accepting or protesting the penalty to be assessed against the district. If protesting, the school district shall submit with its reply the reasons for rejecting the calculations and documentation supporting those reasons. The Department shall review all school district penalty protest documentation and notify each district by March 15 of its finding and the final penalty to be assessed to each district. General fund balance penalties shall be assessed to all school districts by April 1.

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

1 4. Any school district which receives an increase in State Aid
2 because of a change in Foundation and/or Salary Incentive Aid
3 factors during the last two (2) months of the preceding fiscal year
4 shall be exempt from the penalties assessed in this subsection, if
5 the penalty would occur solely as a result of receiving funds from
6 the increase in State Aid.

7 5. If a school district does not receive Foundation and/or
8 Salary Incentive Aid during the preceding fiscal year, the State
9 Board of Education may waive the penalty assessed in this subsection
10 if the penalty would result in a loss of more than forty percent
11 (40%) of the remaining State Aid to be allocated to the school
12 district between April 1 and the remainder of the school year and if
13 the Board determines the penalty will cause the school district not
14 to meet remaining financial obligations.

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

22 7. Beginning July 1, 2003, school districts that participate in
23 consolidation or annexation pursuant to the provisions of the
24 Oklahoma School Voluntary Consolidation and Annexation Act shall be

1 exempt from the penalty assessed in this subsection for the school
2 year in which the consolidation or annexation occurs and for the
3 next three (3) fiscal years.

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

12 9. Any school district which has an amount of carryover in the
13 general fund of the district in excess of the limits established in
14 paragraph 1 of this subsection during the fiscal ~~year~~ years
15 beginning July 1, ~~2019~~ 2020, July 1, 2021, July 1, 2022, and July 1,
16 2023, shall not be assessed a general fund balance penalty as
17 provided for in this subsection.

18 10. For purposes of calculating the general fund balance
19 penalty, the terms "carryover" and "general fund balance" shall not
20 include federal revenue.

21 H. In order to provide startup funds for the implementation of
22 early childhood programs, State Aid may be advanced to school
23 districts that initially start early childhood instruction at a
24 school site. School districts that desire such advanced funding

1 shall make application to the State Department of Education no later
2 than September 15 of each year and advanced funding shall be awarded
3 to the approved districts no later than October 30. The advanced
4 funding shall not exceed the per pupil amount of State Aid as
5 calculated in subsection D of this section per anticipated Head
6 Start eligible student. The total amount of advanced funding shall
7 be proportionately reduced from the monthly payments of the
8 district's State Aid payments during the last six (6) months of the
9 same fiscal year.

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

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

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

22 3. Beginning July 1, 1996, the Commissioners of the Land
23 Office, notwithstanding any provision of law to the contrary, shall
24

1 report monthly to the State Department of Education the monthly
2 apportionment of state apportionment.

3 4. Beginning July 1, 1997, the county treasurers' offices,
4 notwithstanding any provision of law to the contrary, shall report
5 monthly to the State Department of Education the ad valorem tax
6 protest amounts for each county.

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

12 SECTION 2. AMENDATORY 70 O.S. 2011, Section 18-200.1, as
13 amended by Section 1 of Enrolled House Bill No. 2078 of the 1st
14 Session of the 58th Oklahoma Legislature, is amended to read as
15 follows:

16 Section 18-200.1 A. Beginning with the 2022-2023 school year,
17 and each school year thereafter, each school district shall have its
18 initial allocation of State Aid calculated based on the state
19 dedicated revenues actually collected during the preceding fiscal
20 year, the adjusted assessed valuation of the preceding year and the
21 weighted average daily membership for the school district of the
22 preceding school year. Each school district shall submit the
23 following data based on the first nine (9) weeks, to be used in the
24 calculation of the average daily membership of the school district:

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

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

B. The State Department of Education shall retain not less than one and one-half percent (1 1/2%) of the total funds appropriated for financial support of schools, to be used to make midyear adjustments in State Aid and which shall be reflected in the final

1 allocations. If the amount of appropriated funds, including the one
2 and one-half percent (1 1/2%) retained, remaining after January 1 of
3 each year is not sufficient to fully fund the final allocations, the
4 Department shall recalculate each school district's remaining
5 allocation pursuant to subsection D of this section using the
6 reduced amount of appropriated funds.

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

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

22 The December calculation of per pupil revenue shall be
23 determined by dividing the district's preceding year's total
24 weighted average daily membership (ADM) into the district's

1 preceding year's total revenues excluding federal revenue, insurance
2 loss payments, reimbursements, recovery of overpayments and refunds,
3 unused reserves, prior expenditures recovered, prior year surpluses,
4 and less the amount of any transfer fees paid in that year.

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

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

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

1 is greater, as determined by the provisions of
2 subsection A of Section 18-201.1 of this title and
3 paragraphs 1, 2, 3 and 4 of subsection B of Section
4 18-201.1 of this title, multiplied by the Base
5 Foundation Support Level.

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

- 8 (1) The adjusted assessed valuation of the current
9 school year of the school district, minus the
10 previous year protested ad valorem tax revenues
11 held as prescribed in Section 2884 of Title 68 of
12 the Oklahoma Statutes, multiplied by the mills
13 levied pursuant to subsection (c) of Section 9 of
14 Article X of the Oklahoma Constitution, if
15 applicable, as adjusted in subsection (c) of
16 Section 8A of Article X of the Oklahoma
17 Constitution. For purposes of this subsection,
18 the "adjusted assessed valuation of the current
19 school year" shall be the adjusted assessed
20 valuation on which tax revenues are collected
21 during the current school year, and
22 (2) Seventy-five percent (75%) of the amount received
23 by the school district from the proceeds of the
24 county levy during the 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
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 |

| | | | | |
|----|---------------|----------|-----------------|---------|
| 1 | .3250 - .3416 | \$163.00 | .9867 - 1.1071 | \$95.00 |
| 2 | .3417 - .3583 | \$161.00 | 1.1072 - 1.3214 | \$92.00 |
| 3 | .3584 - .3749 | \$158.00 | 1.3215 - 1.5357 | \$90.00 |
| 4 | .3750 - .3916 | \$156.00 | 1.5358 - 1.7499 | \$88.00 |
| 5 | .3917 - .4083 | \$154.00 | 1.7500 - 1.9642 | \$86.00 |
| 6 | .4084 - .4249 | \$152.00 | 1.9643 - 2.1785 | \$84.00 |
| 7 | .4250 - .4416 | \$150.00 | 2.1786 - 2.3928 | \$81.00 |
| 8 | .4417 - .4583 | \$147.00 | 2.3929 - 2.6249 | \$79.00 |
| 9 | .4584 - .4749 | \$145.00 | 2.6250 - 2.8749 | \$77.00 |
| 10 | .4750 - .4916 | \$143.00 | 2.8750 - 3.1249 | \$75.00 |
| 11 | .4917 - .5083 | \$141.00 | 3.1250 - 3.3749 | \$73.00 |
| 12 | .5084 - .5249 | \$139.00 | 3.3750 - 3.6666 | \$70.00 |
| 13 | .5250 - .5416 | \$136.00 | 3.6667 - 3.9999 | \$68.00 |
| 14 | .5417 - .5583 | \$134.00 | 4.0000 - 4.3333 | \$66.00 |
| 15 | .5584 - .5749 | \$132.00 | 4.3334 - 4.6666 | \$64.00 |
| 16 | .5750 - .5916 | \$130.00 | 4.6667 - 4.9999 | \$62.00 |
| 17 | .5917 - .6133 | \$128.00 | 5.0000 - 5.5000 | \$59.00 |
| 18 | .6134 - .6399 | \$125.00 | 5.5001 - 6.0000 | \$57.00 |
| 19 | .6400 - .6666 | \$123.00 | 6.0001 - 6.5000 | \$55.00 |
| 20 | .6667 - .6933 | \$121.00 | 6.5001 - 7.0000 | \$53.00 |
| 21 | .6934 - .7199 | \$119.00 | 7.0001 - 7.3333 | \$51.00 |
| 22 | .7200 - .7466 | \$117.00 | 7.3334 - 7.6667 | \$48.00 |
| 23 | .7467 - .7733 | \$114.00 | 7.6668 - 8.0000 | \$46.00 |
| 24 | .7734 - .7999 | \$112.00 | 8.0001 - 8.3333 | \$44.00 |

| | | | | |
|---|---------------|----------|-----------------|---------|
| 1 | .8000 - .8266 | \$110.00 | 8.3334 - 8.6667 | \$42.00 |
| 2 | .8267 - .8533 | \$108.00 | 8.6668 - 9.0000 | \$40.00 |
| 3 | .8534 - .8799 | \$106.00 | 9.0001 - 9.3333 | \$37.00 |
| 4 | .8800 - .9066 | \$103.00 | 9.3334 - 9.6667 | \$35.00 |
| 5 | .9067 - .9333 | \$101.00 | 9.6668 or more | \$33.00 |

6 c. The formula transportation factor shall be 1.39.

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

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

16 b. Divide the district's adjusted assessed valuation of
17 the current school year minus the previous year's
18 protested ad valorem tax revenues held as prescribed
19 in Section 2884 of Title 68 of the Oklahoma Statutes,
20 by one thousand (1,000) and subtract the quotient from
21 the product of subparagraph a of this paragraph. The
22 remainder shall not be less than zero (0).

23 c. Multiply the number of mills levied for general fund
24 purposes above the fifteen (15) mills required to

1 support Foundation Aid pursuant to division (1) of
2 subparagraph b of paragraph 1 of this subsection, not
3 including the county four-mill levy, by the remainder
4 of subparagraph b of this paragraph. The product
5 shall be the Salary Incentive Aid of the district.

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

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

17 2. In the event that the amount of funds a school district
18 receives for reimbursement from the Ad Valorem Reimbursement Fund is
19 less than the amount of funds claimed for reimbursement by the
20 school district due to insufficiency of funds as provided in Section
21 193 of Title 62 of the Oklahoma Statutes, then the school district's
22 assessed valuation for the school year that such ad valorem
23 reimbursement is calculated in the State Aid Formula shall be
24 adjusted accordingly.

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

| 6 | Total Amount of | Amount of |
|----|----------------------------|--------------|
| 7 | General Fund Collections, | General Fund |
| 8 | Excluding Previous Year | Balance |
| 9 | Cash Surplus as of June 30 | Allowable |
| 10 | Less than \$1,000,000 | 48% |
| 11 | \$1,000,000 - \$2,999,999 | 42% |
| 12 | \$3,000,000 - \$3,999,999 | 36% |
| 13 | \$4,000,000 - \$4,999,999 | 30% |
| 14 | \$5,000,000 - \$5,999,999 | 24% |
| 15 | \$6,000,000 - \$7,999,999 | 22% |
| 16 | \$8,000,000 - \$9,999,999 | 19% |
| 17 | \$10,000,000 or more | 17% |

18 2. By February 1 the State Department of Education shall send
19 by certified mail, with return receipt requested, to each School
20 District Superintendent, Auditor and Regional Accreditation Officer
21 a notice of and calculation sheet reflecting the general fund
22 balance penalty to be assessed against that school district.
23 Calculation of the general fund balance penalty shall not include
24 federal revenue. Within thirty (30) days of receipt of this written

1 notice the school district shall submit to the Department a written
2 reply either accepting or protesting the penalty to be assessed
3 against the district. If protesting, the school district shall
4 submit with its reply the reasons for rejecting the calculations and
5 documentation supporting those reasons. The Department shall review
6 all school district penalty protest documentation and notify each
7 district by March 15 of its finding and the final penalty to be
8 assessed to each district. General fund balance penalties shall be
9 assessed to all school districts by April 1.

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

16 4. Any school district which receives an increase in State Aid
17 because of a change in Foundation and/or Salary Incentive Aid
18 factors during the last two (2) months of the preceding fiscal year
19 shall be exempt from the penalties assessed in this subsection, if
20 the penalty would occur solely as a result of receiving funds from
21 the increase in State Aid.

22 5. If a school district does not receive Foundation and/or
23 Salary Incentive Aid during the preceding fiscal year, the State
24 Board of Education may waive the penalty assessed in this subsection

1 if the penalty would result in a loss of more than forty percent
2 (40%) of the remaining State Aid to be allocated to the school
3 district between April 1 and the remainder of the school year and if
4 the Board determines the penalty will cause the school district not
5 to meet remaining financial obligations.

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

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

19 8. Any school district which receives proceeds from a sales tax
20 levied by a municipality pursuant to Section 22-159 of Title 11 of
21 the Oklahoma Statutes or proceeds from a sales tax levied by a
22 county pursuant to Section 1370 of Title 68 of the Oklahoma Statutes
23 during the 2003-2004 school year or the 2004-2005 school year shall
24 be exempt from the penalties assessed in this subsection, if the

1 penalty would occur solely as a result of receiving funds from the
2 sales tax levy.

3 9. Any school district which has an amount of carryover in the
4 general fund of the district in excess of the limits established in
5 paragraph 1 of this subsection during the fiscal years beginning
6 July 1, 2020, July 1, 2021, July 1, 2022, and July 1, 2023, shall
7 not be assessed a general fund balance penalty as provided for in
8 this subsection.

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

12 H. In order to provide startup funds for the implementation of
13 early childhood programs, State Aid may be advanced to school
14 districts that initially start early childhood instruction at a
15 school site. School districts that desire such advanced funding
16 shall make application to the State Department of Education no later
17 than September 15 of each year and advanced funding shall be awarded
18 to the approved districts no later than October 30. The advanced
19 funding shall not exceed the per pupil amount of State Aid as
20 calculated in subsection D of this section per anticipated Head
21 Start eligible student. The total amount of advanced funding shall
22 be proportionately reduced from the monthly payments of the
23 district's State Aid payments during the last six (6) months of the
24 same fiscal year.

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

- 5 a. the assessed valuation of property,
- 6 b. motor vehicle collections,
- 7 c. R.E.A. tax collected, and
- 8 d. gross productions tax collected.

9 2. Beginning July 1, 1997, the State Auditor and Inspector's
10 Office, notwithstanding any provision of law to the contrary, shall
11 report monthly to the State Department of Education the monthly
12 apportionment of the proceeds of the county levy.

13 3. Beginning July 1, 1996, the Commissioners of the Land
14 Office, notwithstanding any provision of law to the contrary, shall
15 report monthly to the State Department of Education the monthly
16 apportionment of state apportionment.

17 4. Beginning July 1, 1997, the county treasurers' offices,
18 notwithstanding any provision of law to the contrary, shall report
19 monthly to the State Department of Education the ad valorem tax
20 protest amounts for each county.

21 5. The information reported by the Tax Commission, the State
22 Auditor and Inspector's Office, the county treasurers' offices and
23 the Commissioners of the Land Office, pursuant to this subsection
24

1 shall be reported by school district on forms developed by the State
2 Department of Education.

3 SECTION 3. AMENDATORY 70 O.S. 2011, Section 18-201.1, as
4 last amended by Section 2 of Enrolled House Bill No. 2078 of the 1st
5 Session of the 58th Oklahoma Legislature, is amended to read as
6 follows:

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

20 B. Beginning with the 2022-2023 school year, the weighted
21 calculations provided for in subsection A of this section shall be
22 based on the higher weighted average daily membership of the first
23 nine (9) weeks of the current school year or the preceding school
24 year of a school district, unless otherwise specified. The higher

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

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

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

| | | |
|----|-------------------------------|-------|
| f. | Third grade | 1.051 |
| g. | Fourth through sixth grade | 1.0 |
| h. | Seventh through twelfth grade | 1.2 |
| i. | Out-of-home placement | 1.50 |

Multiply the membership of each subparagraph of this paragraph by the weight assigned to such subparagraph of this paragraph and add the totals together to determine the weighted pupil grade level calculation for a school district. Determination of the pupils eligible for the early childhood program weight shall be pursuant to the provisions of Section 1-114 of this title. The pupils eligible for the out-of-home placement pupil weight shall be students who are not residents of the school district in which they are receiving education pursuant to the provisions of subsection D of Section 1-113 of this title. Such weight may be claimed by the district providing educational services to such student for the days that student is enrolled in that district. If claimed, the out-of-home placement weight shall be in lieu of the pupil grade level and any pupil category weights for that student. Provided, if a student resides in a juvenile detention center that is restricted to less than twelve (12) beds, the out-of-home placement pupil weight for such students shall be calculated as follows: for a center with six (6) beds - 3.0; for a center with eight (8) beds - 2.3 and for a center with ten (10) beds - 1.80.

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

| CATEGORY | WEIGHT |
|---|---|
| a. Visual Impairment | 3.8 |
| b. Specific Learning Disability | .4 |
| c. Deafness or Hearing Impairment | 2.9 |
| d. Deaf-Blindness | 3.8 |
| e. Intellectual Disability | 1.3 |
| f. Emotional Disturbance | 2.5 |
| g. Gifted | .34 |
| h. Multiple Disabilities | 2.4 |
| i. Orthopedic Impairment | 1.2 |
| j. Speech or Language Impairment | .05 |
| k. Bilingual | .25 |
| l. Special Education Summer Program | 1.2 |
| m. Economically Disadvantaged | .25 |
| n. Optional Extended School Year Program | As determined by the State Board of Education |
| o. Autism | 2.4 |
| p. Traumatic Brain Injury | 2.4 |
| q. Other Health Impairment | 1.2 |

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

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

23

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:

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

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

TEACHER EXPERIENCE - DEGREE INDEX

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

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

SECTION 4. Sections 2 and 3 of this act shall become effective July 1, 2022.

1 SECTION 5. It being immediately necessary for the preservation
2 of the public peace, health or safety, an emergency is hereby
3 declared to exist, by reason whereof Section 1 of this act shall
4 take effect and be in full force from and after its passage and
5 approval.

6
7 COMMITTEE REPORT BY: COMMITTEE ON JOINT COMMITTEE ON APPROPRIATIONS
8 AND BUDGET, dated 05/14/2021 - DO PASS, As Amended.
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