

OKLAHOMA HOUSE OF REPRESENTATIVES
COMMITTEE REPORT

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JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET COMMITTEE

HB2890

By: Wallace et al of the House

Thompson et al of the Senate

Title: Appropriations and budget; creating the Budget Implementation Act of 2021; effective date.

Coauthored By:

Recommendation: **DO PASS AS AMENDED BY CS**

Amendments:

1. Committee Substitute Attached



Chr.
Representative Kevin Wallace

YEAS: 27

Bennett, Blancett, Boatman, Echols, Fetgatter, Ford, Goodwin, Hilbert, Hill, Kannady, Lawson, Martinez, McBride, McDugle, McEntire, Miller, Munson, Newton, Nichols, Osburn, Roberts (D), Sterling, Strom, Virgin, Wallace, West (J), West (T)

NAYS: 0

CONSTITUTIONAL PRIVILEGE: 0

**OKLAHOMA STATE SENATE
JOINT
COMMITTEE REPORT**

May 14, 2021

JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET

HB 2890

By: Wallace of the House and Thompson of the Senate

Title: Appropriations and budget; creating the Budget Implementation Act of 2021; effective date.

Recommendation: **DO PASS AS AMENDED**

Aye: Brooks, Dossett (J.J.), Dugger, Floyd, Haste, Howard, Jech, Kidd, Kirt, Matthews, Montgomery, Pederson, Pemberton, Rader, Weaver, Hall, Thompson

Nay:

Constitutional Privilege:

Senator Roger Thompson, Chair

Committee Substitute, motion by Senator PEMBERTON - Adopted (Request No: 8173)

STATE OF OKLAHOMA

1st Session of the 58th Legislature (2021)

COMMITTEE SUBSTITUTE
FOR

HOUSE BILL NO. 2890

By: Wallace and Hilbert of the
House

and

Thompson and Hall of the
Senate

COMMITTEE SUBSTITUTE

An Act relating to school funding; amending 70 O.S. 2011, Section 18-200.1, as amended by Section 11 of Enrolled Senate Bill No. 1064 of the 1st Session of the 58th Oklahoma Legislature, which relates to State Aid; prohibiting assessment of carryover penalty in certain fiscal years; amending 70 O.S. 2011, Section 18-200.1, as amended by Section 1 of Enrolled House Bill No. 2078 of the 1st Session of the 58th Oklahoma Legislature, which relates to State Aid; modifying years of data to be used for the July per pupil revenue calculation; prohibiting assessment of carryover penalty in certain fiscal years; amending 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.

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

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

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

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

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

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

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

21 C. On and after July 1, 1997, the amount of State Aid each
22 district shall receive shall be the sum of the Foundation Aid, the
23 Salary Incentive Aid and the Transportation Supplement, as adjusted
24 pursuant to the provisions of subsection G of this section and

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

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

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

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

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

- 1 a. The Foundation Program shall be a district's highest
2 weighted average daily membership based on the first
3 nine (9) weeks of the current school year, the
4 preceding school year or the second preceding school
5 year of a school district, as determined by the
6 provisions of subsection A of Section 18-201.1 of this
7 title and paragraphs 1, 2, 3 and 4 of subsection B of
8 Section 18-201.1 of this title, multiplied by the Base
9 Foundation Support Level.
- 10 b. The Foundation Program Income shall be the sum of the
11 following:
- 12 (1) The adjusted assessed valuation of the current
13 school year of the school district, minus the
14 previous year protested ad valorem tax revenues
15 held as prescribed in Section 2884 of Title 68 of
16 the Oklahoma Statutes, multiplied by the mills
17 levied pursuant to subsection (c) of Section 9 of
18 Article X of the Oklahoma Constitution, if
19 applicable, as adjusted in subsection (c) of
20 Section 8A of Article X of the Oklahoma
21 Constitution. For purposes of this subsection,
22 the "adjusted assessed valuation of the current
23 school year" shall be the adjusted assessed
24

valuation on which tax revenues are collected during the current school year, and

- (2) Seventy-five percent (75%) of the amount received by the school district from the proceeds of the 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
.3250 - .3416	\$163.00	.9867 - 1.1071	\$95.00
.3417 - .3583	\$161.00	1.1072 - 1.3214	\$92.00
.3584 - .3749	\$158.00	1.3215 - 1.5357	\$90.00
.3750 - .3916	\$156.00	1.5358 - 1.7499	\$88.00
.3917 - .4083	\$154.00	1.7500 - 1.9642	\$86.00
.4084 - .4249	\$152.00	1.9643 - 2.1785	\$84.00
.4250 - .4416	\$150.00	2.1786 - 2.3928	\$81.00
.4417 - .4583	\$147.00	2.3929 - 2.6249	\$79.00
.4584 - .4749	\$145.00	2.6250 - 2.8749	\$77.00
.4750 - .4916	\$143.00	2.8750 - 3.1249	\$75.00
.4917 - .5083	\$141.00	3.1250 - 3.3749	\$73.00
.5084 - .5249	\$139.00	3.3750 - 3.6666	\$70.00
.5250 - .5416	\$136.00	3.6667 - 3.9999	\$68.00
.5417 - .5583	\$134.00	4.0000 - 4.3333	\$66.00
.5584 - .5749	\$132.00	4.3334 - 4.6666	\$64.00
.5750 - .5916	\$130.00	4.6667 - 4.9999	\$62.00
.5917 - .6133	\$128.00	5.0000 - 5.5000	\$59.00
.6134 - .6399	\$125.00	5.5001 - 6.0000	\$57.00

1	.6400 - .6666	\$123.00	6.0001 - 6.5000	\$55.00
2	.6667 - .6933	\$121.00	6.5001 - 7.0000	\$53.00
3	.6934 - .7199	\$119.00	7.0001 - 7.3333	\$51.00
4	.7200 - .7466	\$117.00	7.3334 - 7.6667	\$48.00
5	.7467 - .7733	\$114.00	7.6668 - 8.0000	\$46.00
6	.7734 - .7999	\$112.00	8.0001 - 8.3333	\$44.00
7	.8000 - .8266	\$110.00	8.3334 - 8.6667	\$42.00
8	.8267 - .8533	\$108.00	8.6668 - 9.0000	\$40.00
9	.8534 - .8799	\$106.00	9.0001 - 9.3333	\$37.00
10	.8800 - .9066	\$103.00	9.3334 - 9.6667	\$35.00
11	.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.

b. Divide the district's adjusted assessed valuation of the current school year minus the previous year's protested ad valorem tax revenues held as prescribed

1 in Section 2884 of Title 68 of the Oklahoma Statutes,
2 by one thousand (1,000) and subtract the quotient from
3 the product of subparagraph a of this paragraph. The
4 remainder shall not be less than zero (0).

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

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

1 accordance with rules promulgated by the State Board of Education.
2 Funding for the development, implementation, personnel training and
3 maintenance of the student identification system shall be set out in
4 a separate line item in the allocation section of the appropriation
5 bill for the State Board of Education for each year.

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

22 2. In the event that the amount of funds a school district
23 receives for reimbursement from the Ad Valorem Reimbursement Fund is
24 less than the amount of funds claimed for reimbursement by the

1 school district due to insufficiency of funds as provided in Section
2 193 of Title 62 of the Oklahoma Statutes, then the school district's
3 assessed valuation for the school year that such ad valorem
4 reimbursement is calculated in the State Aid Formula shall be
5 adjusted accordingly.

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

11	Total Amount of	Amount of
12	General Fund Collections,	General Fund
13	Excluding Previous Year	Balance
14	Cash Surplus as of June 30	Allowable
15	Less than \$1,000,000	40%
16	\$1,000,000 - \$2,999,999	35%
17	\$3,000,000 - \$3,999,999	30%
18	\$4,000,000 - \$4,999,999	25%
19	\$5,000,000 - \$5,999,999	20%
20	\$6,000,000 - \$7,999,999	18%
21	\$8,000,000 - \$9,999,999	16%
22	\$10,000,000 or more	14%

23 2. By February 1 the State Department of Education shall send
24 by certified mail, with return receipt requested, to each School

1 District Superintendent, Auditor and Regional Accreditation Officer
2 a notice of and calculation sheet reflecting the general fund
3 balance penalty to be assessed against that school district.
4 Calculation of the general fund balance penalty shall not include
5 federal revenue. Within thirty (30) days of receipt of this written
6 notice the school district shall submit to the Department a written
7 reply either accepting or protesting the penalty to be assessed
8 against the district. If protesting, the school district shall
9 submit with its reply the reasons for rejecting the calculations and
10 documentation supporting those reasons. The Department shall review
11 all school district penalty protest documentation and notify each
12 district by March 15 of its finding and the final penalty to be
13 assessed to each district. General fund balance penalties shall be
14 assessed to all school districts by April 1.

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

21 4. Any school district which receives an increase in State Aid
22 because of a change in Foundation and/or Salary Incentive Aid
23 factors during the last two (2) months of the preceding fiscal year
24 shall be exempt from the penalties assessed in this subsection, if

1 the penalty would occur solely as a result of receiving funds from
2 the increase in State Aid.

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

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

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

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

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

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

18 H. In order to provide startup funds for the implementation of
19 early childhood programs, State Aid may be advanced to school
20 districts that initially start early childhood instruction at a
21 school site. School districts that desire such advanced funding
22 shall make application to the State Department of Education no later
23 than September 15 of each year and advanced funding shall be awarded
24 to the approved districts no later than October 30. The advanced

1 funding shall not exceed the per pupil amount of State Aid as
2 calculated in subsection D of this section per anticipated Head
3 Start eligible student. The total amount of advanced funding shall
4 be proportionately reduced from the monthly payments of the
5 district's State Aid payments during the last six (6) months of the
6 same fiscal year.

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

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

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

19 3. Beginning July 1, 1996, the Commissioners of the Land
20 Office, notwithstanding any provision of law to the contrary, shall
21 report monthly to the State Department of Education the monthly
22 apportionment of state apportionment.

23 4. Beginning July 1, 1997, the county treasurers' offices,
24 notwithstanding any provision of law to the contrary, shall report

1 monthly to the State Department of Education the ad valorem tax
2 protest amounts for each county.

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

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

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

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

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

18 B. The State Department of Education shall retain not less than
19 one and one-half percent (1 1/2%) of the total funds appropriated
20 for financial support of schools, to be used to make midyear
21 adjustments in State Aid and which shall be reflected in the final
22 allocations. If the amount of appropriated funds, including the one
23 and one-half percent (1 1/2%) retained, remaining after January 1 of
24 each year is not sufficient to fully fund the final allocations, the

1 Department shall recalculate each school district's remaining
2 allocation pursuant to subsection D of this section using the
3 reduced amount of appropriated funds.

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

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

19 The December calculation of per pupil revenue shall be
20 determined by dividing the district's preceding year's total
21 weighted average daily membership (ADM) into the district's
22 preceding year's total revenues excluding federal revenue, insurance
23 loss payments, reimbursements, recovery of overpayments and refunds,

24

1 unused reserves, prior expenditures recovered, prior year surpluses,
2 and less the amount of any transfer fees paid in that year.

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

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

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

1 paragraphs 1, 2, 3 and 4 of subsection B of Section
2 18-201.1 of this title, multiplied by the Base
3 Foundation Support Level.

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

6 (1) The adjusted assessed valuation of the current
7 school year of the school district, minus the
8 previous year protested ad valorem tax revenues
9 held as prescribed in Section 2884 of Title 68 of
10 the Oklahoma Statutes, multiplied by the mills
11 levied pursuant to subsection (c) of Section 9 of
12 Article X of the Oklahoma Constitution, if
13 applicable, as adjusted in subsection (c) of
14 Section 8A of Article X of the Oklahoma
15 Constitution. For purposes of this subsection,
16 the "adjusted assessed valuation of the current
17 school year" shall be the adjusted assessed
18 valuation on which tax revenues are collected
19 during the current school year, and

20 (2) Seventy-five percent (75%) of the amount received
21 by the school district from the proceeds of the
22 county levy during the preceding fiscal year, as
23 levied pursuant to subsection (b) of Section 9 of
24 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
.3250 - .3416	\$163.00	.9867 - 1.1071	\$95.00
.3417 - .3583	\$161.00	1.1072 - 1.3214	\$92.00

1	.3584 - .3749	\$158.00	1.3215 - 1.5357	\$90.00
2	.3750 - .3916	\$156.00	1.5358 - 1.7499	\$88.00
3	.3917 - .4083	\$154.00	1.7500 - 1.9642	\$86.00
4	.4084 - .4249	\$152.00	1.9643 - 2.1785	\$84.00
5	.4250 - .4416	\$150.00	2.1786 - 2.3928	\$81.00
6	.4417 - .4583	\$147.00	2.3929 - 2.6249	\$79.00
7	.4584 - .4749	\$145.00	2.6250 - 2.8749	\$77.00
8	.4750 - .4916	\$143.00	2.8750 - 3.1249	\$75.00
9	.4917 - .5083	\$141.00	3.1250 - 3.3749	\$73.00
10	.5084 - .5249	\$139.00	3.3750 - 3.6666	\$70.00
11	.5250 - .5416	\$136.00	3.6667 - 3.9999	\$68.00
12	.5417 - .5583	\$134.00	4.0000 - 4.3333	\$66.00
13	.5584 - .5749	\$132.00	4.3334 - 4.6666	\$64.00
14	.5750 - .5916	\$130.00	4.6667 - 4.9999	\$62.00
15	.5917 - .6133	\$128.00	5.0000 - 5.5000	\$59.00
16	.6134 - .6399	\$125.00	5.5001 - 6.0000	\$57.00
17	.6400 - .6666	\$123.00	6.0001 - 6.5000	\$55.00
18	.6667 - .6933	\$121.00	6.5001 - 7.0000	\$53.00
19	.6934 - .7199	\$119.00	7.0001 - 7.3333	\$51.00
20	.7200 - .7466	\$117.00	7.3334 - 7.6667	\$48.00
21	.7467 - .7733	\$114.00	7.6668 - 8.0000	\$46.00
22	.7734 - .7999	\$112.00	8.0001 - 8.3333	\$44.00
23	.8000 - .8266	\$110.00	8.3334 - 8.6667	\$42.00
24	.8267 - .8533	\$108.00	8.6668 - 9.0000	\$40.00

1	.8534 - .8799	\$106.00	9.0001 - 9.3333	\$37.00
2	.8800 - .9066	\$103.00	9.3334 - 9.6667	\$35.00
3	.9067 - .9333	\$101.00	9.6668 or more	\$33.00

4 c. The formula transportation factor shall be 1.39.

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

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

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

21 c. Multiply the number of mills levied for general fund
22 purposes above the fifteen (15) mills required to
23 support Foundation Aid pursuant to division (1) of
24 subparagraph b of paragraph 1 of this subsection, not

1 including the county four-mill levy, by the remainder
2 of subparagraph b of this paragraph. The product
3 shall be the Salary Incentive Aid of the district.

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

22 F. 1. In the event that ad valorem taxes of a school district
23 are determined to be uncollectible because of bankruptcy, clerical
24 error, or a successful tax protest, and the amount of such taxes

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

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

22 G. 1. Notwithstanding the provisions of Section 18-112.2 of
23 this title, a school district shall have its State Aid reduced by an
24 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	48%
\$1,000,000 - \$2,999,999	42%
\$3,000,000 - \$3,999,999	36%
\$4,000,000 - \$4,999,999	30%
\$5,000,000 - \$5,999,999	24%
\$6,000,000 - \$7,999,999	22%
\$8,000,000 - \$9,999,999	19%
\$10,000,000 or more	17%

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

1 submit with its reply the reasons for rejecting the calculations and
2 documentation supporting those reasons. The Department shall review
3 all school district penalty protest documentation and notify each
4 district by March 15 of its finding and the final penalty to be
5 assessed to each district. General fund balance penalties shall be
6 assessed to all school districts by April 1.

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

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

19 5. If a school district does not receive Foundation and/or
20 Salary Incentive Aid during the preceding fiscal year, the State
21 Board of Education may waive the penalty assessed in this subsection
22 if the penalty would result in a loss of more than forty percent
23 (40%) of the remaining State Aid to be allocated to the school
24 district between April 1 and the remainder of the school year and if

1 the Board determines the penalty will cause the school district not
2 to meet remaining financial obligations.

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

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

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

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

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

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

23 I. 1. Beginning July 1, 1996, the Oklahoma Tax Commission,
24 notwithstanding any provision of law to the contrary, shall report

1 monthly to the State Department of Education the monthly
2 apportionment of the following information:

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

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

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

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

19 5. The information reported by the Tax Commission, the State
20 Auditor and Inspector's Office, the county treasurers' offices and
21 the Commissioners of the Land Office, pursuant to this subsection
22 shall be reported by school district on forms developed by the State
23 Department of Education.

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

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

18 B. Beginning with the 2022-2023 school year, the weighted
19 calculations provided for in subsection A of this section shall be
20 based on the higher weighted average daily membership of the first
21 nine (9) weeks of the current school year or the preceding school
22 year of a school district, unless otherwise specified. The higher
23 of the two (2) weighted average daily memberships shall be used
24 consistently in all of the calculations; however, the weighted

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

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

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

1	a.	Visual Impairment	3.8
2	b.	Specific Learning Disability	.4
3	c.	Deafness or Hearing Impairment	2.9
4	d.	Deaf-Blindness	3.8
5	e.	Intellectual Disability	1.3
6	f.	Emotional Disturbance	2.5
7	g.	Gifted	.34
8	h.	Multiple Disabilities	2.4
9	i.	Orthopedic Impairment	1.2
10	j.	Speech or Language Impairment	.05
11	k.	Bilingual	.25
12	l.	Special Education Summer Program	1.2
13	m.	Economically Disadvantaged	.25
14	n.	Optional Extended School Year	
15		Program	As determined by
16			the State Board
17			of Education
18	o.	Autism	2.4
19	p.	Traumatic Brain Injury	2.4
20	q.	Other Health Impairment	1.2

21 Except as otherwise provided, multiply the number of pupils approved
22 in the school year with the highest average daily membership in each
23 category by the weight assigned to such category and add the totals
24 together to determine the weighted pupil category calculation for a

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

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

19 a. Small school district formula: $529 \text{ minus the average}$
20 $\text{daily membership divided by } 529 \text{ times } .2 \text{ times total}$
21 $\text{average daily membership.}$

22 The small school district formula calculation shall apply
23 only to school districts whose highest average daily
24 membership is less than 529 pupils. School districts which

1 are consolidated or annexed after July 1, 2003, pursuant to
2 the Oklahoma School Voluntary Consolidation and Annexation
3 Act shall have the weighted district size calculation for
4 the three (3) school years following the fiscal year in
5 which such consolidation occurred calculated to be the sum
6 of the individual consolidated districts computed as if the
7 consolidation had not taken place. Thereafter, any such
8 district which is consolidated pursuant to the Oklahoma
9 School Voluntary Consolidation and Annexation Act shall not
10 qualify for the weighted district calculation unless the
11 district can satisfy the specifications herein. Subject to
12 the provisions of subparagraph c of this paragraph, the
13 resulting number shall be counted as additional students
14 for the purpose of calculating State Aid.

15 b. District sparsity - isolation formula:

16 The district sparsity - isolation formula calculation shall
17 apply only to school districts:

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

21 (2) whose areal density is less than one-fourth (1/4)
22 of the state average areal density. Areal
23 density shall be determined by dividing the
24

1 school district's average daily membership by the
2 school district's total area in square miles.
3 The district sparsity - isolation formula calculation shall
4 be calculated as follows:

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

12 The school district student cost factor shall be calculated
13 as follows:

14 The school district's average daily membership shall
15 be categorized into the following grade level groups
16 and applied to the appropriate formulas as computed
17 below:

18 Grade Level Group

19 Grades K-5 Divide 74 by the sum of the Grade
20 Level ADM plus 23,
21 add .85 to the quotient, then
22 multiply the sum by the Grade
23 Level ADM.

24 Grades 6-8 Divide 122 by the sum of the Grade

Level ADM plus 133,
add .85 to the quotient, then
multiply the sum by the Grade
Level ADM.

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

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

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

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

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

The State Board of Education shall define geographical barriers
whose location in a school district would inhibit the district from
consolidation or annexation. The Board shall make available an
application process, review applications, and for districts the

1 Board deems necessary allow additional square miles to be used for
2 the purposes of calculations used for the weighted district sparsity
3 - isolation formula. Provided, that the additional square miles
4 allowed for geographical barriers shall not exceed thirty percent
5 (30%) of the district's actual size.

6 c. State Aid funds which a district is calculated to
7 receive as a result of the weighted district
8 calculation shall be restricted as follows:

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

23 The July calculation of the projected per pupil
24 revenue shall be determined by dividing the district's

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

15 The December calculation of the projected per pupil
16 revenue shall be determined by dividing the higher of
17 the district's first nine (9) weeks of the current
18 school year or the preceding school year's average
19 daily membership (ADM) as weighted by the pupil grade
20 level, the pupil category, the district and the
21 teacher experience degree index calculations for
22 projected State Aid into the district's projected
23 total revenues including funds for the December
24 calculation of the current year State Aid Formula, net

assessed valuation for the current calendar year times thirty-nine (39) mills, county revenues excluding the county four-mills revenue for the preceding year, other state appropriations for the preceding year and the collections for the preceding year of state apportionment, motor vehicle revenue, gross production tax and R.E.A. tax.

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

4. The weighted teacher experience and degree calculation shall be determined in accordance with the teacher experience and degree index. The State Department of Education shall determine an index 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

1	3 - 5	.8	1.0	1.2
2	6 - 8	.9	1.1	1.3
3	9 - 11	1.0	1.2	1.4
4	12 - 15	1.1	1.3	1.5
5	Over 15	1.2	1.4	1.6

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

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

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

22
23 58-1-8303 MKS 05/14/21

24