

OKLAHOMA STATE SENATE  
CONFERENCE  
COMMITTEE REPORT

May 23, 2024

Mr. President:

Mr. Speaker:

The Conference Committee, to which was referred

SB1257

By: Pugh and Garvin of the Senate and Lowe (Dick) of the House

Title: School funding; removing limitations on school district general fund carryover and penalties for exceeding limitations. Effective date Emergency.

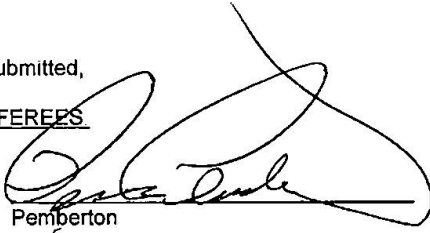
together with Engrossed House Amendments thereto, beg leave to report that we have had the same under consideration and herewith return the same with the following recommendations:

1. That the House recede from all Amendments
2. That the attached Conference Committee Substitute (Request #3827) be adopted.

Respectfully submitted,


SENATE CONFEREES

  
Pugh

  
Pemberton

  
Seifried

  
Dossett

  
Thompson, K.

HOUSE CONFEREES

General Conference Committee on Appropriations

Senate Action \_\_\_\_\_ Date \_\_\_\_\_ House Action \_\_\_\_\_ Date \_\_\_\_\_

STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

CONFERENCE COMMITTEE SUBSTITUTE  
FOR ENGROSSED

SENATE BILL NO. 1257

By: Pugh and Garvin of the  
Senate

and

Lowe (Dick) of the House

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to charter schools; amending 70 O.S. 2021, Section 3-142, as amended by Section 11, Chapter 323, O.S.L. 2023 (70 O.S. Supp. 2023, Section 3-142), which relates to calculation of State Aid for charter schools; removing requirement for certain weighted average daily membership calculation to be conducted with certain frequency; providing for certain calculations in subsequent school years; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 70 O.S. 2021, Section 3-142, as amended by Section 11, Chapter 323, O.S.L. 2023 (70 O.S. Supp. 2023, Section 3-142), is amended to read as follows:

Section 3-142. A. The student membership and attendance of a charter school shall be considered separate from the student membership and attendance of the sponsor for the purpose of calculating enrollment and funding including weighted average daily

1 membership pursuant to Section 18-201.1 of this title and State Aid  
2 pursuant to Section 18-200.1 of this title. A charter school shall  
3 receive the State Aid allocation, federal funds to which it is  
4 eligible and qualifies for, and any other state-appropriated revenue  
5 generated by its students for the applicable year. Not more than  
6 three percent (3%) of the State Aid allocation may be charged by the  
7 sponsor as a fee for administrative services rendered if the sponsor  
8 is a school district, a comprehensive or regional institution of  
9 higher education, a two-year college, a private institution of  
10 higher learning accredited pursuant to Section 4103 of this title,  
11 or a federally recognized Indian tribe pursuant to Section 3-132 of  
12 this title. The Statewide Charter School Board shall not charge any  
13 charter school or virtual charter school a fee for administrative or  
14 other services. The State Department of Education shall determine  
15 the policy and procedure for making payments to a charter school or  
16 virtual charter school. The fee for administrative services as  
17 authorized in this subsection shall only be assessed on the State  
18 Aid allocation amount and shall not be assessed on any other  
19 appropriated amounts. A sponsor of a charter school shall not  
20 charge any additional State Aid allocation or charge the charter  
21 school any additional fee above the amounts allowed by this  
22 subsection unless the additional fees are for additional services  
23 rendered. The charter school sponsor shall provide to the State  
24 Department of Education financial records documenting any state

1 funds charged by the sponsor for administrative services rendered  
2 for the previous year.

3 B. The fee for administrative services authorized by subsection  
4 A of this section shall be used by the sponsor to provide oversight  
5 and services to the charter schools it sponsors. The State  
6 Department of Education shall develop data codes for the Oklahoma  
7 Cost Accounting System which shall be used to comply with the  
8 administrative services reporting required by this section. A  
9 charter school sponsor shall publish a detailed report on its  
10 website and present the report in a public meeting of the charter  
11 school governing board and the charter school sponsor governing  
12 board. The report shall provide sponsor performance and stewardship  
13 including compliance with all applicable laws, regulations, and  
14 terms of the charter contract and listing expenses related to  
15 oversight and services provided by the sponsor to the charter  
16 schools it sponsors.

17 C. For the purpose of calculating weighted average daily  
18 membership pursuant to Section 18-201.1 of this title and State Aid  
19 pursuant to Section 18-200.1 of this title, the weighted average  
20 daily membership for the first year of operation ~~and each year~~  
21 ~~thereafter~~ of a charter school or full-time statewide virtual  
22 charter school shall be determined initially by multiplying the  
23 actual enrollment of students as of August 1 by 1.333. The charter  
24 school or virtual charter school shall receive revenue equal to that

1 which would be generated by the estimated weighted average daily  
2 membership calculated pursuant to this paragraph. At midyear, the  
3 allocation for the charter school or virtual charter school shall be  
4 adjusted using the first quarter weighted average daily membership  
5 for the charter school or virtual charter school calculated pursuant  
6 to subsection A of this section. For each subsequent school year,  
7 weighted average daily membership shall be calculated as provided  
8 for in Section 18-201.1 of this title, and State Aid shall be  
9 calculated as provided for in Section 18-200.1 of this title.

10 D. Except as explicitly authorized by state law, a charter  
11 school or virtual charter school shall not be eligible to receive  
12 state-dedicated, local, or county revenue; provided, a charter  
13 school or virtual charter school may be eligible to receive any  
14 other aid, grants, or revenues allowed to other schools. A charter  
15 school or virtual charter school shall be considered a local  
16 education agency for purposes of funding.

17 E. Any unexpended funds received by a charter school or virtual  
18 charter school may be reserved and used for future purposes. The  
19 governing board of a charter school or virtual charter school shall  
20 not levy taxes or issue bonds. If otherwise allowed by law, the  
21 governing board of a charter school or virtual charter school may  
22 enter into private contracts for the purposes of borrowing money  
23 from lenders. If the governing board of the charter school or  
24 virtual charter school borrows money, the charter school or virtual

1 charter school shall be solely responsible for repaying the debt,  
2 and the state or the sponsor shall not in any way be responsible or  
3 obligated to repay the debt.

4 F. Any charter school or virtual charter school which chooses  
5 to lease property shall be eligible to receive current government  
6 lease rates.

7 G. Except as otherwise provided in this subsection, each  
8 charter school shall pay to the Charter School Closure Reimbursement  
9 Revolving Fund created in subsection H of this section an amount  
10 equal to Five Dollars (\$5.00) per student based on average daily  
11 membership, as defined by paragraph 2 of Section 18-107 of this  
12 title, during the first nine (9) weeks of the school year. Each  
13 charter school shall complete the payment every school year within  
14 thirty (30) days after the first nine (9) weeks of the school year.  
15 If the Charter School Closure Reimbursement Revolving Fund has a  
16 balance of One Million Dollars (\$1,000,000.00) or more on July 1, no  
17 payment shall be required the following school year.

18 H. There is hereby created in the State Treasury a revolving  
19 fund for the Statewide Charter School Board to be designated the  
20 "Charter School Closure Reimbursement Revolving Fund". The fund  
21 shall be a continuing fund, not subject to fiscal year limitations,  
22 and shall consist of all monies received by the Statewide Charter  
23 School Board from charter schools as provided in subsection G of  
24 this section. All monies accruing to the credit of the fund are

1 hereby appropriated and may be budgeted and expended by the  
2 Statewide Charter School Board for the purpose of paying for  
3 expenditures incurred due to the closure of a charter school.  
4 Expenditures from the fund shall be made upon warrants issued by the  
5 State Treasurer against claims filed as prescribed by law with the  
6 Director of the Office of Management and Enterprise Services for  
7 approval and payment.

8 SECTION 2. This act shall become effective July 1, 2024.

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

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