

1 ENGROSSED HOUSE AMENDMENT
TO
2 ENGROSSED SENATE BILL NO. 112 By: Thompson (Roger) of the
Senate
3
4 and
5 Baker of the House
6

7 [State Aid Formula - transportation factor -
effective date -
8 emergency]

9
10
11
12 AUTHOR: Add the following House Coauthor: Schreiber
13 AMENDMENT NO. 1. Strike the stricken title, enacting clause, and
entire bill and insert:
14

15
16 "[State Aid Formula - weighted pupil category -
17 transportation factor - effective date -
18 emergency]

19
20
21 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:
22 SECTION 1. AMENDATORY 70 O.S. 2021, Section 18-109.5, is
23 amended to read as follows:
24 Section 18-109.5 A. As used in Section 18-201.1 of this title:

1 1. "Visual impairment" means an impairment in vision that, even
2 with correction, adversely affects a child's educational
3 performance. This includes both partial sight and blindness;

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

14 3. "Deafness" means a hearing impairment that is so severe that
15 the child is impaired in processing linguistic information through
16 hearing, with or without amplification, that adversely affects a
17 child's educational performance;

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

20 5. "Intellectual disability" means significantly subaverage
21 general intellectual functioning, existing concurrently with
22 deficits in adaptive behavior and manifested during the development
23 period, that adversely affects a child's educational performance;

1 6. "Emotional disturbance" means a condition exhibiting one or
2 more of the following characteristics over a long period of time and
3 to a marked degree that adversely affects a child's educational
4 performance:

5 a. an inability to learn which cannot be explained by
6 intellectual, sensory or health factors,

7 b. an inability to build or maintain satisfactory
8 interpersonal relationships with peers and teachers,

9 c. inappropriate types of behavior or feelings under
10 normal circumstances,

11 d. a general pervasive mood of unhappiness or depression,
12 or

13 e. a tendency to develop physical symptoms or fears
14 associated with personal or school problems.

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

18 7. "Gifted" means identified students as outlined in Section
19 1210.301 of this title;

20 8. "Hearing impairment" means an impairment in hearing, whether
21 permanent or fluctuating, that adversely affects a child's
22 educational performance but that is not included under the
23 definition of "deafness";

1 9. "Multiple disabilities" means concomitant impairments, such
2 as intellectual disability - blindness or intellectual disability -
3 orthopedic impairment, the combination of which causes such severe
4 educational needs that they cannot be accommodated in special
5 education programs solely for one of the impairments. The term does
6 not include deaf-blindness;

7 10. "Orthopedic impairment" means a severe orthopedic
8 impairment that adversely affects a child's educational performance.
9 The term includes impairments caused by a congenital anomaly,
10 impairments caused by disease such as poliomyelitis and bone
11 tuberculosis, and impairments from other causes such as cerebral
12 palsy, amputations and fractures or burns that cause contractures;

13 11. "Other health impairment" means having limited strength,
14 vitality or alertness, including a heightened alertness to
15 environmental stimuli, that results in limited alertness with
16 respect to the educational environment that adversely affects a
17 child's educational performance and is due to chronic or acute
18 health problems such as asthma, attention deficit disorder or
19 attention deficit hyperactivity disorder, diabetes, epilepsy, a
20 heart condition, hemophilia, lead poisoning, leukemia, nephritis,
21 rheumatic fever, sickle cell anemia and Tourette syndrome;

22 12. "Speech or language impairment" means a communication
23 disorder, such as stuttering, impaired articulation, a language
24

1 impairment, or a voice impairment, that adversely affects a child's
2 educational performance;

3 13. "Deaf-blindness" means concomitant hearing and visual
4 impairments, the combination of which causes such severe
5 communication and other developmental and educational problems that
6 they cannot be accommodated in special education programs solely for
7 children with deafness or children with blindness;

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

18 15. "Traumatic brain injury" means an acquired injury to the
19 brain caused by an external physical force, resulting in total or
20 partial functional disability or psychosocial impairment, or both,
21 that adversely affects a child's educational performance. Traumatic
22 brain injury applies to open or closed head injuries resulting in
23 impairments in one or more areas such as cognition; language;
24 memory; attention; reasoning; abstract thinking; judgment; problem-

1 solving; sensory, perceptual, and motor abilities; psychosocial
2 behavior; physical functions; information processing; and speech.
3 Traumatic brain injury does not apply to brain injuries that are
4 congenital or degenerative or to brain injuries induced by birth
5 trauma;

6 16. "~~Bilingual~~ English language learner" means those students:

7 a. ~~who have limited English speaking abilities or who~~
8 ~~come from homes where English is not the dominant~~
9 ~~language as reported on the current year application~~
10 ~~for accreditation:~~

11 (1) were not born in the United States or whose
12 native language is a language other than English,

13 (2) are Native American or Alaska Natives, or a
14 native resident of the outlying areas, and who
15 come from an environment where a language other
16 than English has had a significant impact on the
17 student's level of English language proficiency,

18 or

19 (3) are migratory, whose native language is a
20 language other than English, and who come from an
21 environment where a language other than English
22 is dominant, and

1 b. whose difficulties in speaking, reading, writing, or
2 understanding the English language may be sufficient
3 to deny the student:

4 (1) the ability to meet the state's proficient level
5 of achievement on state assessments,

6 (2) the ability to successfully achieve in classrooms
7 where the language of instruction is English, or

8 (3) the opportunity to participate fully in society.

9 Any school district receiving funds for a student who is categorized
10 as an English language learner shall reevaluate the student annually
11 using assessments required by federal law to confirm the student
12 continues to meet the definition of English language learner as
13 provided in this paragraph;

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

22 18. "Optional Extended School Year Program" means the program
23 defined in Section 1-109.1 of this title.

1 B. The State Board of Education is hereby authorized to modify
2 and redefine by rule the definitions set out in this section
3 whenever such modification is required to receive federal assistance
4 therefor.

5 SECTION 2. AMENDATORY 70 O.S. 2021, Section 18-200.1, as
6 last amended by Section 2, Chapter 488, O.S.L. 2021, is amended to
7 read as follows:

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

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

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

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

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

23 C. On and after July 1, 1997, the amount of State Aid each
24 district shall receive shall be the sum of the Foundation Aid, the

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

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

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

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

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

23 b. The Foundation Program Income shall be the sum of the
24 following:

- 1 (1) The adjusted assessed valuation of the current
2 school year of the school district, minus the
3 previous year protested ad valorem tax revenues
4 held as prescribed in Section 2884 of Title 68 of
5 the Oklahoma Statutes, multiplied by the mills
6 levied pursuant to subsection (c) of Section 9 of
7 Article X of the Oklahoma Constitution, if
8 applicable, as adjusted in subsection (c) of
9 Section 8A of Article X of the Oklahoma
10 Constitution. For purposes of this subsection,
11 the "adjusted assessed valuation of the current
12 school year" shall be the adjusted assessed
13 valuation on which tax revenues are collected
14 during the current school year, and
- 15 (2) Seventy-five percent (75%) of the amount received
16 by the school district from the proceeds of the
17 county levy during the preceding fiscal year, as
18 levied pursuant to subsection (b) of Section 9 of
19 Article X of the Oklahoma Constitution, and
- 20 (3) Motor ~~Vehicle Collections~~ vehicle collections,
21 and
- 22 (4) Gross ~~Production Tax~~ production tax, and
23 (5) State ~~Apportionment~~ apportionment, and
24 (6) R.E.A. ~~Tax~~ 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	

1	.4250 - .4416	\$150.00	2.1786 - 2.3928	\$81.00
2	.4417 - .4583	\$147.00	2.3929 - 2.6249	\$79.00
3	.4584 - .4749	\$145.00	2.6250 - 2.8749	\$77.00
4	.4750 - .4916	\$143.00	2.8750 - 3.1249	\$75.00
5	.4917 - .5083	\$141.00	3.1250 - 3.3749	\$73.00
6	.5084 - .5249	\$139.00	3.3750 - 3.6666	\$70.00
7	.5250 - .5416	\$136.00	3.6667 - 3.9999	\$68.00
8	.5417 - .5583	\$134.00	4.0000 - 4.3333	\$66.00
9	.5584 - .5749	\$132.00	4.3334 - 4.6666	\$64.00
10	.5750 - .5916	\$130.00	4.6667 - 4.9999	\$62.00
11	.5917 - .6133	\$128.00	5.0000 - 5.5000	\$59.00
12	.6134 - .6399	\$125.00	5.5001 - 6.0000	\$57.00
13	.6400 - .6666	\$123.00	6.0001 - 6.5000	\$55.00
14	.6667 - .6933	\$121.00	6.5001 - 7.0000	\$53.00
15	.6934 - .7199	\$119.00	7.0001 - 7.3333	\$51.00
16	.7200 - .7466	\$117.00	7.3334 - 7.6667	\$48.00
17	.7467 - .7733	\$114.00	7.6668 - 8.0000	\$46.00
18	.7734 - .7999	\$112.00	8.0001 - 8.3333	\$44.00
19	.8000 - .8266	\$110.00	8.3334 - 8.6667	\$42.00
20	.8267 - .8533	\$108.00	8.6668 - 9.0000	\$40.00
21	.8534 - .8799	\$106.00	9.0001 - 9.3333	\$37.00
22	.8800 - .9066	\$103.00	9.3334 - 9.6667	\$35.00
23	.9067 - .9333	\$101.00	9.6668 or more	\$33.00

24 c. The formula transportation factor shall be ~~1.39~~ 3.0.

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

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

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

17 c. Multiply the number of mills levied for general fund
18 purposes above the fifteen (15) mills required to
19 support Foundation Aid pursuant to division (1) of
20 subparagraph b of paragraph 1 of this subsection, not
21 including the county four-mill levy, by the remainder
22 of subparagraph b of this paragraph. The product
23 shall be the Salary Incentive Aid of the district.

24

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

19 F. 1. In the event that ad valorem taxes of a school district
20 are determined to be uncollectible because of bankruptcy, clerical
21 error, or a successful tax protest, and the amount of such taxes
22 deemed uncollectible exceeds Fifty Thousand Dollars (\$50,000.00) or
23 an amount greater than twenty-five percent (25%) of ad valorem taxes
24 per tax year, or the valuation of a district is lowered by order of

1 the State Board of Equalization, the school district's State Aid,
2 for the school year that such ad valorem taxes are calculated in the
3 State Aid Formula, shall be determined by subtracting the net
4 assessed valuation of the property upon which taxes were deemed
5 uncollectible from the assessed valuation of the school district and
6 the state. Upon request of the local board of education, it shall
7 be the duty of the county assessor to certify to the Director of
8 Finance of the State Department of Education the net assessed
9 valuation of the property upon which taxes were determined
10 uncollectible.

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

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

24 Total Amount of Amount of

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

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

1 district by March 15 of its finding and the final penalty to be
2 assessed to each district. General fund balance penalties shall be
3 assessed to all school districts by April 1.

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

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

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

24

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

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

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

22 9. Any school district which has an amount of carryover in the
23 general fund of the district in excess of the limits established in
24 paragraph 1 of this subsection during the fiscal years beginning

1 July 1, 2020, July 1, 2021, July 1, 2022, and July 1, 2023, shall
2 not be assessed a general fund balance penalty as provided for in
3 this subsection.

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

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

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

24 a. the assessed valuation of property,

- b. motor vehicle collections,
- c. R.E.A. tax collected, and
- d. gross productions tax collected.

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

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

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

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

SECTION 3. AMENDATORY 70 O.S. 2021, Section 18-201.1, is amended to read as follows:

Section 18-201.1 A. Beginning with the 2020-21 school year, and each school year thereafter, the weighted membership of a school

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

12 B. Beginning with the 2022-2023 school year, the weighted
13 calculations provided for in subsection A of this section shall be
14 based on the higher weighted average daily membership of the first
15 nine (9) weeks of the current school year or the preceding school
16 year of a school district, unless otherwise specified. The higher
17 of the two (2) weighted average daily memberships shall be used
18 consistently in all of the calculations; however, the weighted
19 calculation for a statewide virtual charter school experiencing a
20 significant decline in membership shall be based on the first nine
21 (9) weeks of the current school year for the statewide virtual
22 charter school. For purposes of this subsection, "significant
23 decline in membership" means equal to or greater than a fifteen
24 percent (15%) decrease in average daily membership from the

1 preceding school year to the average daily membership of the first
2 nine (9) weeks of the current school year. The average daily
3 membership data used for all calculations in paragraphs 1, 2, 3 and
4 4 of this subsection shall be the same as used in the calculation of
5 the State Aid Formula. The weighted calculations provided for in
6 subsection A of this section shall be determined as follows:

7 1. The weighted pupil grade level calculation shall be
8 determined by taking the highest average daily membership and
9 assigning weights to the pupils according to grade attended as
10 follows:

11	GRADE LEVEL	WEIGHT
12	a. Half-day early childhood programs	.7
13	b. Full-day early childhood programs	1.3
14	c. Half-day kindergarten	1.3
15	d. Full-day kindergarten	1.5
16	e. First and second grade	1.351
17	f. Third grade	1.051
18	g. Fourth through sixth grade	1.0
19	h. Seventh through twelfth grade	1.2
20	i. Out-of-home placement	1.50

21 Multiply the membership of each subparagraph of this paragraph by
22 the weight assigned to such subparagraph of this paragraph and add
23 the totals together to determine the weighted pupil grade level
24 calculation for a school district. Determination of the pupils

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

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

18	CATEGORY	WEIGHT
19	a. Visual Impairment	3.8
20	b. Specific Learning Disability	.4
21	c. Deafness or Hearing Impairment	2.9
22	d. Deaf-Blindness	3.8
23	e. Intellectual Disability	1.3
24	f. Emotional Disturbance	2.5

1	g. Gifted	.34
2	h. Multiple Disabilities	2.4
3	i. Orthopedic Impairment	1.2
4	j. Speech or Language Impairment	.05
5	k. Bilingual <u>English Language Learner</u>	-.25 <u>.34</u>
6	l. Special Education Summer Program	1.2
7	m. Economically Disadvantaged	-.25 <u>.34</u>
8	n. Optional Extended School Year	
9	Program	As determined by
10		the State Board
11		of Education
12	o. Autism	2.4
13	p. Traumatic Brain Injury	2.4
14	q. Other Health Impairment	1.2

15 Except as otherwise provided, multiply the number of pupils approved
16 in the school year with the highest average daily membership in each
17 category by the weight assigned to such category and add the totals
18 together to determine the weighted pupil category calculation for a
19 school district. For the 1997-98 school year and subsequent school
20 years, the number to be multiplied by the weight assigned to the
21 gifted category in subparagraph g of this paragraph shall be the
22 lesser of (1) the sum of the number of students who scored in the
23 top three percent (3%) on any national standardized test of
24 intellectual ability plus the number of students identified as

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

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

13 a. Small school district formula: $529 \text{ minus the average}$
14 $\text{daily membership divided by } 529 \text{ times } .2 \text{ times total}$
15 $\text{average daily membership.}$

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

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

9 b. District sparsity - isolation formula:

10 The district sparsity - isolation formula calculation shall
11 apply only to school districts:

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

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

20 The district sparsity - isolation formula calculation shall
21 be calculated as follows:

22 The school district student cost factor multiplied by
23 the school district area factor. The resulting
24 product shall be multiplied by the school district's

1 average daily membership. Subject to the provisions
2 of subparagraph c of this paragraph, the resulting
3 number shall be counted as additional students for the
4 purpose of calculating State Aid.

5 The school district student cost factor shall be calculated
6 as follows:

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

11 Grade Level Group

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

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

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

1 multiply the sum by the Grade
2 Level ADM.

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

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

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

12 however, the district area cost factor shall not exceed one
13 (1.0).

14 The State Board of Education shall define geographical barriers
15 whose location in a school district would inhibit the district from
16 consolidation or annexation. The Board shall make available an
17 application process, review applications, and for districts the
18 Board deems necessary allow additional square miles to be used for
19 the purposes of calculations used for the weighted district sparsity
20 - isolation formula. Provided, that the additional square miles
21 allowed for geographical barriers shall not exceed thirty percent
22 (30%) of the district's actual size.

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

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

18 The July calculation of the projected per pupil
19 revenue shall be determined by dividing the district's
20 preceding year's average daily membership (ADM) as
21 weighted by the pupil grade level, the pupil category,
22 the district and the teacher experience degree index
23 calculations for projected State Aid into the
24 district's projected total revenues including

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

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

1 apporportionment, motor vehicle revenue, gross production
2 tax and R.E.A. tax.

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

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

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

10 SECTION 4. This act shall become effective July 1, 2023.

11 SECTION 5. It being immediately necessary for the preservation
12 of the public peace, health or safety, an emergency is hereby
13 declared to exist, by reason whereof this act shall take effect and
14 be in full force from and after its passage and approval."
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1 ENGROSSED SENATE
2 BILL NO. 112

By: Thompson (Roger) of the
Senate

3 and

4 Baker of the House

5
6
7 [State Aid Formula - transportation factor -
8 effective date -
9 emergency]

10

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

12 SECTION 6. AMENDATORY 70 O.S. 2021, Section 18-200.1, as
13 last amended by Section 2, Chapter 488, O.S.L. 2021, is amended to
14 read as follows:

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

24 1. Student enrollment by grade level;

1 2. Pupil category counts; and

2 3. Transportation supplement data.

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

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

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

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

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

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

1 loss payments, reimbursements, recovery of overpayments and refunds,
2 unused reserves, prior expenditures recovered, prior year surpluses,
3 and less the amount of any transfer fees paid in that year.

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

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

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

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

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

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

21 (2) Seventy-five percent (75%) of the amount received
22 by the school district from the proceeds of the
23 county levy during the preceding fiscal year, as
24

- 1 levied pursuant to subsection (b) of Section 9 of
 2 Article X of the Oklahoma Constitution, and
 3 (3) ~~Motor Vehicle Collections~~ motor vehicle
 4 collections, and
 5 (4) ~~Gross Production Tax~~ gross production tax, and
 6 (5) ~~State Apportionment~~ state apportionment, and
 7 (6) R.E.A. ~~Tax~~ tax.

8 The items listed in divisions (3), (4), (5), and (6)
 9 of this subparagraph shall consist of the amounts
 10 actually collected from such sources during the
 11 preceding fiscal year calculated on a per capita basis
 12 on the unit provided for by law for the distribution
 13 of each such revenue.

14 2. The Transportation Supplement shall be equal to the average
 15 daily haul times the per capita allowance times the appropriate
 16 transportation factor.

17 a. The average daily haul shall be the number of children
 18 in a district who are legally transported and who live
 19 one and one-half (1 1/2) miles or more from school.

20 b. The per capita allowance shall be determined using the
 21 following chart:

	PER CAPITA		PER CAPITA
DENSITY FIGURE	ALLOWANCE	DENSITY FIGURE	ALLOWANCE
.3000 - .3083	\$167.00	.9334 - .9599	\$99.00

1	.3084 - .3249	\$165.00	.9600 - .9866	\$97.00
2	.3250 - .3416	\$163.00	.9867 - 1.1071	\$95.00
3	.3417 - .3583	\$161.00	1.1072 - 1.3214	\$92.00
4	.3584 - .3749	\$158.00	1.3215 - 1.5357	\$90.00
5	.3750 - .3916	\$156.00	1.5358 - 1.7499	\$88.00
6	.3917 - .4083	\$154.00	1.7500 - 1.9642	\$86.00
7	.4084 - .4249	\$152.00	1.9643 - 2.1785	\$84.00
8	.4250 - .4416	\$150.00	2.1786 - 2.3928	\$81.00
9	.4417 - .4583	\$147.00	2.3929 - 2.6249	\$79.00
10	.4584 - .4749	\$145.00	2.6250 - 2.8749	\$77.00
11	.4750 - .4916	\$143.00	2.8750 - 3.1249	\$75.00
12	.4917 - .5083	\$141.00	3.1250 - 3.3749	\$73.00
13	.5084 - .5249	\$139.00	3.3750 - 3.6666	\$70.00
14	.5250 - .5416	\$136.00	3.6667 - 3.9999	\$68.00
15	.5417 - .5583	\$134.00	4.0000 - 4.3333	\$66.00
16	.5584 - .5749	\$132.00	4.3334 - 4.6666	\$64.00
17	.5750 - .5916	\$130.00	4.6667 - 4.9999	\$62.00
18	.5917 - .6133	\$128.00	5.0000 - 5.5000	\$59.00
19	.6134 - .6399	\$125.00	5.5001 - 6.0000	\$57.00
20	.6400 - .6666	\$123.00	6.0001 - 6.5000	\$55.00
21	.6667 - .6933	\$121.00	6.5001 - 7.0000	\$53.00
22	.6934 - .7199	\$119.00	7.0001 - 7.3333	\$51.00
23	.7200 - .7466	\$117.00	7.3334 - 7.6667	\$48.00
24	.7467 - .7733	\$114.00	7.6668 - 8.0000	\$46.00

1	.7734 - .7999	\$112.00	8.0001 - 8.3333	\$44.00
2	.8000 - .8266	\$110.00	8.3334 - 8.6667	\$42.00
3	.8267 - .8533	\$108.00	8.6668 - 9.0000	\$40.00
4	.8534 - .8799	\$106.00	9.0001 - 9.3333	\$37.00
5	.8800 - .9066	\$103.00	9.3334 - 9.6667	\$35.00
6	.9067 - .9333	\$101.00	9.6668 or more	\$33.00

7 c. The formula transportation factor shall be ~~1.39~~ 3.0.

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

9 a. Multiply the Incentive Aid guarantee by the district's
10 higher weighted average daily membership based on the
11 first 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.

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

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

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

1 a separate line item in the allocation section of the appropriation
2 bill for the State Board of Education for each year.

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

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

1 reimbursement is calculated in the State Aid Formula shall be
2 adjusted accordingly.

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

8	Total Amount of	Amount of
9	General Fund Collections,	General Fund
10	Excluding Previous Year	Balance
11	Cash Surplus as of June 30	Allowable
12	Less than \$1,000,000	48%
13	\$1,000,000 - \$2,999,999	42%
14	\$3,000,000 - \$3,999,999	36%
15	\$4,000,000 - \$4,999,999	30%
16	\$5,000,000 - \$5,999,999	24%
17	\$6,000,000 - \$7,999,999	22%
18	\$8,000,000 - \$9,999,999	19%
19	\$10,000,000 or more	17%

20 2. By February 1 the State Department of Education shall send
21 by certified mail, with return receipt requested, to each School
22 District Superintendent, Auditor and Regional Accreditation Officer
23 a notice of and calculation sheet reflecting the general fund
24 balance penalty to be assessed against that school district.

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

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

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

24

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

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

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

22 8. Any school district which receives proceeds from a sales tax
23 levied by a municipality pursuant to Section 22-159 of Title 11 of
24 the Oklahoma Statutes or proceeds from a sales tax levied by a

1 county pursuant to Section 1370 of Title 68 of the Oklahoma Statutes
2 during the 2003-2004 school year or the 2004-2005 school year shall
3 be exempt from the penalties assessed in this subsection, if the
4 penalty would occur solely as a result of receiving funds from the
5 sales tax levy.

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

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

15 H. In order to provide startup funds for the implementation of
16 early childhood programs, State Aid may be advanced to school
17 districts that initially start early childhood instruction at a
18 school site. School districts that desire such advanced funding
19 shall make application to the State Department of Education no later
20 than September 15 of each year and advanced funding shall be awarded
21 to the approved districts no later than October 30. The advanced
22 funding shall not exceed the per pupil amount of State Aid as
23 calculated in subsection D of this section per anticipated Head
24 Start eligible student. The total amount of advanced funding shall

1 be proportionately reduced from the monthly payments of the
2 district's State Aid payments during the last six (6) months of the
3 same fiscal year.

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

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

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

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

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

24

