

1 STATE OF OKLAHOMA

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

3 COMMITTEE SUBSTITUTE

4 FOR ENGROSSED

5 SENATE BILL NO. 929

By: Stanislawski of the Senate

and

Baker of the House

6
7
8
9 COMMITTEE SUBSTITUTE

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

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

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

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

23 1. "~~Vision impaired~~ Visual impairment" means a ~~visual~~ an
24 impairment which in vision that, even with correction, adversely
affects a child's educational performance. This includes both
partial sight and blindness;

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

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

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

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

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

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

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

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

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

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

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

19 7. "Gifted" means identified students as outlined in Section
20 1210.301 of this title;

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

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

9 ~~9. "Physically handicapped"~~

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

22 ~~10.~~ 11. "Other health impairment" means having limited
23 strength, vitality or alertness, including a heightened alertness to
24 environmental stimuli, that results in limited alertness with

1 respect to the educational environment that adversely affects a
2 child's educational performance and is due to chronic or acute
3 health problems such as asthma, attention deficit disorder or
4 attention deficit hyperactivity disorder, diabetes, epilepsy, a
5 heart condition, hemophilia, lead poisoning, leukemia, nephritis,
6 rheumatic fever, sickle cell anemia and Tourette syndrome;

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

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

16 ~~12.~~ 13. "Deaf/Blind Deaf-blindness" means concomitant hearing
17 and visual impairments, the combination of which causes such severe
18 communication and other developmental and educational problems that
19 they cannot be accommodated in special education programs solely for
20 ~~deaf or blind~~ children with deafness or children with blindness;

21 ~~13.~~ 14. "Autism" means a developmental disability significantly
22 affecting verbal and nonverbal communication and social interaction,
23 generally evident before age three, that adversely affects a child's
24 educational performance. Other characteristics often associated

1 with autism are engagement in repetitive activities and stereotyped
2 movements, resistance to environmental change or change in daily
3 routines, and unusual responses to sensory experiences. Autism does
4 not apply if a child's educational performance is adversely affected
5 primarily because the child has an emotional disturbance, as defined
6 in this subsection;

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

19 16. "Bilingual" means those students who have limited English
20 speaking abilities or who come from homes where English is not the
21 dominant language as reported on the current year application for
22 accreditation;

23 ~~14.~~ 17. "Special Education Summer Program" means those summer
24 school programs which school districts may provide for children who

1 are severely or profoundly multiple-handicapped if their
2 individualized education program states the need for a continuing
3 educational experience to prevent loss of educational achievement or
4 basic life skills. Any school district receiving funds for such
5 special education summer programs shall provide services as provided
6 in Section 13-101 of this title; and

7 ~~15.~~ 18. "Optional Extended School Year Program" means the
8 program defined in Section 1-109.1 of this title.

9 B. The State Board of Education is hereby authorized to modify
10 and redefine by rule the definitions set out in this section
11 whenever such modification is required to receive federal assistance
12 therefor.

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

15 Section 18-201.1 A. Beginning with the 1997-98 school year,
16 and each school year thereafter, the weighted membership of a school
17 district for calculation of Foundation Aid purposes pursuant to
18 paragraph 1 of subsection D of Section 18-200.1 of this title shall
19 be the sum of the weighted pupil grade level calculation, the
20 weighted pupil category calculation, the weighted district
21 calculation and the weighted teacher experience and degree
22 calculation. The weighted membership of a school district for
23 calculation of Salary Incentive Aid purposes pursuant to paragraph 3
24 of subsection D of Section 18-200.1 of this title shall be the sum

1 of the weighted pupil grade level calculation, the weighted pupil
2 category calculation, the weighted district calculation, and the
3 weighted teacher experience and degree calculation.

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

19 1. The weighted pupil grade level calculation shall be
20 determined by taking the highest average daily membership and
21 assigning weights to the pupils according to grade attended as
22 follows:

GRADE LEVEL	WEIGHT
a. Half-day early childhood programs	.7

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

9 Multiply the membership of each subparagraph of this paragraph by
10 the weight assigned to such subparagraph of this paragraph and add
11 the totals together to determine the weighted pupil grade level
12 calculation for a school district. Determination of the pupils
13 eligible for the early childhood program weight shall be pursuant to
14 the provisions of Section 1-114 of this title. The pupils eligible
15 for the out-of-home placement pupil weight shall be students who are
16 not residents of the school district in which they are receiving
17 education pursuant to the provisions of subsection D of Section 1-
18 113 of this title. Such weight may be claimed by the district
19 providing educational services to such student for the days that
20 student is enrolled in that district. If claimed, the out-of-home
21 placement weight shall be in lieu of the pupil grade level and any
22 pupil category weights for that student. Provided, if a student
23 resides in a juvenile detention center that is restricted to less
24 than twelve (12) beds, the out-of-home placement pupil weight for

1 such students shall be calculated as follows: for a center with six
 2 (6) beds - 3.0; for a center with eight (8) beds - 2.3 and for a
 3 center with ten (10) beds - 1.80.

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

CATEGORY	WEIGHT
a. Vision Impaired <u>Visual Impairment</u>	3.8
b. <u>Specific Learning Disabilities</u> Disability	.4
c. Deaf or Hard of Hearing	
<u>Deafness or Hearing Impairment</u>	2.9
d. Deaf and Blind <u>Deaf-Blindness</u>	3.8
e. Educable Mentally Handicapped	
<u>Intellectual Disability</u>	1.3
f. Emotionally Disturbed <u>Emotional</u>	
<u>Disturbance</u>	2.5
g. Gifted	.34
h. Multiple Handicapped <u>Disabilities</u>	2.4
i. Physically Handicapped	
<u>Orthopedic Impairment</u>	1.2
j. Speech Impaired <u>or Language Impairment</u>	.05
k. Trainable Mentally Handicapped	1.3
l. Bilingual	.25
m.	
<u>l.</u> Special Education Summer Program	1.2

1	n.		
2	<u>m.</u>	Economically Disadvantaged	.25
3	o.		
4	<u>n.</u>	Optional Extended School Year	
5		Program	As determined by
6			the State Board
7			of Education
8	<u>o.</u>	<u>Autism</u>	<u>2.4</u>
9	<u>p.</u>	<u>Traumatic Brain Injury</u>	<u>2.4</u>
10	<u>q.</u>	<u>Other Health Impairment</u>	<u>1.2</u>

11 Except as otherwise provided, multiply the number of pupils approved
12 in the school year with the highest average daily membership in each
13 category by the weight assigned to such category and add the totals
14 together to determine the weighted pupil category calculation for a
15 school district. For the 1996-97 school year, the number to be
16 multiplied by the weight assigned to the gifted category in
17 subparagraph g of this paragraph shall be the lesser of (1) the sum
18 of the number of students who scored in the top three percent (3%)
19 on any national standardized test of intellectual ability plus the
20 number of students identified as gifted pursuant to subparagraphs a
21 through d of paragraph 1 of Section 1210.301 of this title or (2)
22 the sum of the number of students who scored in the top three
23 percent (3%) on any national standardized test of intellectual
24 ability plus eight percent (8%) of the total average daily

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

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

20 a. Small school district formula: $529 \text{ minus the average}$
21 $\text{daily membership divided by } 529 \text{ times } .2 \text{ times total}$
22 $\text{average daily membership.}$

23 The small school district formula calculation shall apply
24 only to school districts whose highest average daily

1 membership is less than 529 pupils. School districts which
2 are consolidated or annexed after July 1, 2003, pursuant to
3 the Oklahoma School Voluntary Consolidation and Annexation
4 Act shall have the weighted district size calculation for
5 the three (3) school years following the fiscal year in
6 which such consolidation occurred calculated to be the sum
7 of the individual consolidated districts computed as if the
8 consolidation had not taken place. Thereafter, any such
9 district which is consolidated pursuant to the Oklahoma
10 School Voluntary Consolidation and Annexation Act shall not
11 qualify for the weighted district calculation unless the
12 district can satisfy the specifications herein. Subject to
13 the provisions of subparagraph c of this paragraph, the
14 resulting number shall be counted as additional students
15 for the purpose of calculating State Aid.

16 b. District sparsity - isolation formula:

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

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

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

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

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

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

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

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

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

19 however, the district area cost factor shall not exceed one
20 (1.0).

21 The State Board of Education shall define geographical barriers
22 whose location in a school district would inhibit the district from
23 consolidation or annexation. The Board shall make available an
24 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 highest of

1 the district's preceding two years average daily
2 membership (ADM) as weighted by the pupil grade level,
3 the pupil category, the district and the teacher
4 experience degree index calculations for projected
5 State Aid into the district's projected total revenues
6 including projected funds for the State Aid Formula
7 for the 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 highest of
17 the district's first nine (9) weeks of the current
18 school year or the two preceding school years 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

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

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

15 4. The weighted teacher experience and degree calculation shall
16 be determined in accordance with the teacher experience and degree
17 index. The State Department of Education shall determine an index
18 for each state teacher by using data supplied in the school
19 district's teacher personnel reports of the preceding year and
20 utilizing the index as follows:

21 TEACHER EXPERIENCE - DEGREE INDEX

22 EXPERIENCE	BACHELOR'S	MASTER'S	DOCTOR'S
	DEGREE	DEGREE	DEGREE
23			
24 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 n of
13 paragraph 2 of this subsection to determine the weighted teacher
14 experience and degree calculation.

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

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

20

21 56-2-10414 EK 04/13/18

22

23

24