

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 199

BY EDUCATION COMMITTEE

AN ACT

1 RELATING TO EDUCATION; AMENDING SECTION 33-125B, IDAHO CODE, TO REVISE RE-
2 QUIREMENTS REGARDING A PAY FOR SUCCESS CONTRACT AND TO PROVIDE THAT MON-
3 EYS FOR A PAY FOR SUCCESS CONTRACT MAY BE WITHHELD AND DISTRIBUTED UN-
4 DER CERTAIN CONDITIONS; AMENDING SECTION 33-1002, IDAHO CODE, TO PRO-
5 VIDE FUNDING FOR PAY FOR SUCCESS CONTRACTING; AMENDING SECTION 33-1002,
6 IDAHO CODE, AS AMENDED BY SECTION 5, CHAPTER 374, LAWS OF 2016, TO PRO-
7 VIDE FUNDING FOR PAY FOR SUCCESS CONTRACTING AND TO MAKE CODIFIER'S COR-
8 RECTIONS; AND PROVIDING AN EFFECTIVE DATE.
9

10 Be It Enacted by the Legislature of the State of Idaho:

11 SECTION 1. That Section 33-125B, Idaho Code, be, and the same is hereby
12 amended to read as follows:

13 33-125B. PAY FOR SUCCESS CONTRACTING -- DUTIES OF THE STATE DEPARTMENT
14 OF EDUCATION. (1) The state department of education may enter into contracts
15 for approved services. Notwithstanding the provisions of chapter 92, title
16 67, Idaho Code, the department may issue a request for information for a con-
17 tract upon identification of a need for a special service, or interested par-
18 ties may identify a need for service within the department and submit a pro-
19 posal to the department to negotiate a contract. Any contract entered into
20 pursuant to this section shall provide for:

21 (a) An evidence-based program delivered by the service provider de-
22 signed to enhance student academic achievement;

23 (b) Mutually agreed upon grade-level performance targets and efficacy
24 standards;

25 (c) Identified source of ~~department~~ moneys from which savings will be
26 realized;

27 (d) An external evaluator who shall have expertise in all of the follow-
28 ing areas:

29 (i) Education;

30 (ii) Program evaluation and assessment;

31 (iii) Collection and maintenance of program data;

32 (iv) Demonstrated ability to link an individual student's data
33 from grade to grade; and

34 (v) Knowledge of the Idaho-specific academic performance scores
35 used to demonstrate efficacy of the service provider's program;

36 (e) The state's payment obligations from the money appropriated to the
37 public school support program, if the efficacy standards are met under
38 the contract;

39 (f) Terms under which the state may terminate the contract;

40 (g) An annual audit to be performed by a certified public accountant;
41 and

1 (h) A mutually agreed upon formula for the distribution of savings re-
2 alized by the service provider program.

3 An external evaluator shall approve the negotiated contract provisions re-
4 lating to efficacy standards before the department may enter into any such
5 contract.

6 (2) Investor moneys shall be adequate to cover all contract costs.

7 (3) The third-party administrator shall:

8 (a) Manage all moneys pursuant to subsection (2) of this section;

9 (b) When appropriate, direct payments to be made under the terms of the
10 contract;

11 (c) Ensure an annual audit is conducted under the terms of the contract;

12 (d) Issue financial reports as required by the contract; and

13 (e) Complete all other compliance requirements of state or federal law.

14 (4) The department shall approve the ~~local education agencies (LEA)~~
15 school district or public charter school from which each cohort will be cho-
16 sen. The priority for selection ~~of LEAs~~ shall be given to:

17 (a) LEAs School districts or public charter schools reporting the
18 greatest number of students who are not proficient to meet grade-level
19 performance targets being used to evaluate the service provider's pro-
20 gram;

21 (b) LEAs School districts or public charter schools reporting the
22 greatest number of students on free and reduced lunch; and

23 (c) LEAs School districts or public charter schools in different re-
24 gions of the state.

25 The selection of cohorts shall be made by mutual agreement between the ser-
26 vice provider, ~~and~~ the approved LEA school district or public charter school
27 and the department.

28 (5) The department shall withhold distributions to participating
29 school districts or public charter schools for the intervention or remedia-
30 tion efforts identified in the contract. Moneys shall be held in the public
31 school income fund until the external evaluator makes a determination under
32 this subsection. If the external evaluator determines that the efficacy
33 standards have been met, the moneys shall be distributed pursuant to the
34 terms of the contract. If the external evaluator determines that the effi-
35 cacy standards have not been met, the moneys will be released to the school
36 district or public charter school. Moneys withheld or distributed from this
37 fund shall be subject to appropriation and shall not be included in pub-
38 lic school discretionary funding variability pursuant to section 33-1018,
39 Idaho Code. If the contract is terminated for any reason other than the
40 achievement or nonachievement of the efficacy standards, the moneys shall be
41 distributed according to the terms of the contract governing such an event.

42 (6) The external evaluator shall:

43 (a) Determine whether the service provider has met the agreed upon ef-
44 ficacy standards under the terms of the contract by determining the out-
45 comes for each cohort based on the following criteria:

46 (i) Whether there was an increase in the number of children profi-
47 cient to meet grade-level performance targets at levels specified
48 in the contract; and

1 (ii) Calculate ~~moneys no longer expended or distributed by the~~
 2 ~~department savings realized~~ for intervention or remediation as
 3 specified in the contract;

4 (b) Annually report the service provider efficacy standards to the de-
 5 partment; and

6 (c) Report the service provider efficacy standards to the third-party
 7 administrator for the purpose of determining whether payment should be
 8 made under the terms of the contract.

9 (~~6~~7) An oversight committee is hereby created for the purpose of decid-
 10 ing whether or not the state department of education will enter into a nego-
 11 tiation with an interested party under this section, and for the purpose of
 12 monitoring contracts entered into under this section. The committee shall
 13 meet as often as is necessary to fulfill its obligations under this subsec-
 14 tion. The committee shall consist of the following people:

15 (a) The chief financial officer of the state department of education;

16 (b) The subject matter expert at the state department of education;

17 (c) A representative from the state controller's office;

18 (d) The house of representatives education committee chairman; and

19 (e) The senate education committee chairman.

20 (~~7~~8) The state department of education shall report to the legislature
 21 on or before February 1 of each year on all contracts entered into pursuant to
 22 this section.

23 (~~8~~9) The state board of education may promulgate rules implementing the
 24 provisions of this section.

25 (~~9~~10) As used in this section:

26 (a) "Cohort" means a group of individuals who enter the service
 27 provider's program on the same date.

28 (b) "Department" means the state department of education.

29 (c) "External evaluator" means the entity that is responsible for de-
 30 termining the efficacy of a service provider's program.

31 (d) "Investor" means an individual or entity that provides the capital
 32 for the services specified in a contract.

33 (~~e~~) "Local education agency" or "LEA" means ~~a public authority legally~~
 34 ~~constituted by the state as an administrative agency to provide control~~
 35 ~~of and direction for kindergarten through grade 12 public educational~~
 36 ~~institutions.~~

37 (~~f~~) "Service provider" means an organization that implements an evi-
 38 denced-based program that conforms to the terms of the contract.

39 (~~g~~f) "Third-party administrator" means an SSAE-16 compliant firm or a
 40 firm licensed under chapter 2, title 54, Idaho Code, that manages all
 41 moneys deposited pursuant to this section and controlled by a contract.

42 SECTION 2. That Section 33-1002, Idaho Code, be, and the same is hereby
 43 amended to read as follows:

44 33-1002. EDUCATIONAL SUPPORT PROGRAM. The educational support pro-
 45 gram is calculated as follows:

46 (1) State Educational Support Funds. Add the state appropriation, in-
 47 cluding the moneys available in the public school income fund, together with
 48 all miscellaneous revenues to determine the total state funds.

1 (2) From the total state funds subtract the following amounts needed
2 for state support of special programs provided by a school district:

3 (a) Pupil tuition-equivalency allowances as provided in section
4 33-1002B, Idaho Code;

5 (b) Transportation support program as provided in section 33-1006,
6 Idaho Code;

7 (c) Feasibility studies allowance as provided in section 33-1007A,
8 Idaho Code;

9 (d) The approved costs for border district allowance, provided in sec-
10 tion 33-1403, Idaho Code, as determined by the state superintendent of
11 public instruction;

12 (e) The approved costs for exceptional child approved contract al-
13 lowance, provided in subsection 2. of section 33-2004, Idaho Code, as
14 determined by the state superintendent of public instruction;

15 (f) Certain expectant and delivered mothers allowance as provided in
16 section 33-2006, Idaho Code;

17 (g) Salary-based apportionment calculated as provided in sections
18 33-1004 through 33-1004F, Idaho Code;

19 (h) Unemployment insurance benefit payments according to the provi-
20 sions of section 72-1349A, Idaho Code;

21 (i) For expenditure as provided by the public school technology pro-
22 gram;

23 (j) For employee severance payments as provided in section 33-521,
24 Idaho Code;

25 (k) For distributions to the Idaho digital learning academy as provided
26 in section 33-1020, Idaho Code;

27 (l) For charter school facilities funds and reimbursements paid pur-
28 suant to section 33-5208(5), Idaho Code;

29 (m) For an online course portal as provided for in section 33-1024,
30 Idaho Code;

31 (n) For advanced opportunities as provided for in chapter 46, title 33,
32 Idaho Code;

33 (o) For additional math and science courses for high school students as
34 provided in section 33-1021, Idaho Code;

35 (p) For leadership premiums as provided in section 33-1004J, Idaho
36 Code;

37 (q) For the support of provisions that provide a safe environment con-
38 ductive to student learning and maintain classroom discipline, an allo-
39 cation of three hundred dollars (\$300) per support unit;

40 (r) An amount specified in the appropriation bill for the public
41 schools educational support program for counseling support as provided
42 for in section 33-1212A, Idaho Code, shall be distributed for grades 8
43 through 12 as follows:

44 (i) For school districts and public charter schools with one hun-
45 dred (100) or more students enrolled in grades 8 through 12, a pro
46 rata distribution based on students enrolled in grades 8 through
47 12 or ten thousand dollars (\$10,000), whichever is greater;

48 (ii) For school districts and public charter schools with fewer
49 than one hundred (100) students enrolled in grades 8 through
50 12, one hundred dollars (\$100) per student enrolled in grades

COMPUTATION OF ELEMENTARY SUPPORT UNITS		
Average Daily		Minimum Units
Attendance	Attendance Divisor	Allowed
300 or more ADA.....	.....	.. 15
	..23...grades 4,5 & 6....	
	..22...grades 1,2 & 3....1994-95	
	..21...grades 1,2 & 3....1995-96	
	..20...grades 1,2 & 3....1996-97	
	and each year thereafter.	
160 to 299.99 ADA...	20	8.4
110 to 159.99 ADA...	19	6.8
71.1 to 109.99 ADA...	16	4.7
51.7 to 71.0 ADA...	15	4.0
33.6 to 51.6 ADA...	13	2.8
16.6 to 33.5 ADA...	12	1.4
1.0 to 16.5 ADA...	n/a	1.0

COMPUTATION OF SECONDARY SUPPORT UNITS		
Average Daily		Minimum Units
Attendance	Attendance Divisor	Allowed
750 or more....	18.5	47
400 - 749.99 ADA....	16	28
300 - 399.99 ADA....	14.5	22
200 - 299.99 ADA....	13.5	17
100 - 199.99 ADA....	12	9
99.99 or fewer	Units allowed as follows:	
Grades 7-12	.....	8
Grades 9-12	.....	6
Grades 7- 9	.....	1 per 14 ADA
Grades 7- 8	.....	1 per 16 ADA

1 COMPUTATION OF EXCEPTIONAL EDUCATION SUPPORT UNITS

2 Average Daily		Minimum Units
3 Attendance	Attendance Divisor	Allowed
4 14 or more.....	14.5	1 or more as computed
5		
6 12 - 13.99.....	-	1
7 8 - 11.99.....	- .....	.75
8 4 - 7.99.....	- .....	.5
9 1 - 3.99.....	- .....	.25

10 COMPUTATION OF ALTERNATIVE SCHOOL SUPPORT UNITS

11 (Computation of alternative school support units shall include
12 grades 6 through 12)

13 Pupils in Attendance	Attendance Divisor	Minimum Units
14		Allowed
15 12 or more.....	12	1 or more as computed
16		

17 In applying these tables to any given separate attendance unit, no
18 school district shall receive less total money than it would receive if it
19 had a lesser average daily attendance in such separate attendance unit. In
20 applying the kindergarten table to a kindergarten program of fewer days
21 than a full school year, the support unit allowance shall be in ratio to the
22 number of days of a full school year. The attendance of students attending
23 an alternative school in a school district reporting fewer than one hundred
24 (100) secondary students in average daily attendance shall not be assigned
25 to the alternative table if the student is from a school district reporting
26 fewer than one hundred (100) secondary students in average daily attendance,
27 but shall instead be assigned to the secondary table of the school district
28 in which they are attending the alternative school, unless the alternative
29 school in question serves students from multiple districts reporting fewer
30 than one hundred (100) secondary students in average daily attendance. The
31 tables for exceptional education and alternative school support units shall
32 be applicable only for programs approved by the state department of educa-
33 tion following rules established by the state board of education. Moneys
34 generated from computation of support units for alternative schools shall be
35 utilized for alternative school programs. School district administrative
36 and facility costs may be included as part of the alternative school expen-
37 ditures.

38 (5) State Distribution Factor per Support Unit. Divide educational
39 support program distribution funds, after subtracting the amounts necessary
40 to pay the obligations specified in subsection (2) of this section, by the
41 total state support units to secure the state distribution factor per sup-
42 port unit.

43 (6) District Support Units. The number of support units for each school
44 district in the state shall be determined as follows:

1 (a) (i) Divide the actual average daily attendance, excluding stu-
2 dents approved for inclusion in the exceptional child educational
3 program, for the administrative schools and each of the separate
4 schools and attendance units by the appropriate divisor from the
5 tables of support units in this section, then add the quotients
6 to obtain the district's support units allowance for regular stu-
7 dents, kindergarten through grade 12 including alternative school
8 students. Calculations in application of this subsection shall be
9 carried out to the nearest hundredth.

10 (ii) Divide the combined totals of the average daily attendance
11 of all preschool, kindergarten, elementary, secondary, juvenile
12 detention center students and students with disabilities approved
13 for inclusion in the exceptional child program of the district by
14 the appropriate divisor from the table for computation of excep-
15 tional education support units to obtain the number of support
16 units allowed for the district's approved exceptional child pro-
17 gram. Calculations for this subsection shall be carried out to the
18 nearest hundredth when more than one (1) unit is allowed.

19 (iii) The total number of support units of the district shall be
20 the sum of the total support units for regular students, subpara-
21 graph (i) of this paragraph, and the support units allowance for
22 the approved exceptional child program, subparagraph (ii) of this
23 paragraph.

24 (b) Total District Allowance Educational Program. Multiply the dis-
25 trict's total number of support units, carried out to the nearest hun-
26 dredth, by the state distribution factor per support unit and to this
27 product add the approved amount of programs of the district provided in
28 subsection (2) of this section to secure the district's total allowance
29 for the educational support program.

30 (c) District Share. The district's share of state apportionment is the
31 amount of the total district allowance, paragraph (b) of this subsec-
32 tion.

33 (d) Adjustment of District Share. The contract salary of every noncer-
34 tificated teacher shall be subtracted from the district's share as cal-
35 culated from the provisions of paragraph (c) of this subsection.

36 (7) Property Tax Computation Ratio. In order to receive state funds
37 pursuant to this section, a charter district shall utilize a school mainte-
38 nance and operation property tax computation ratio for the purpose of calcu-
39 lating its maintenance and operation levy that is no greater than that which
40 it utilized in tax year 1994, less four-tenths of one percent (.4%). As used
41 herein, the term "property tax computation ratio" shall mean a ratio deter-
42 mined by dividing the district's certified property tax maintenance and op-
43 eration budget by the actual or adjusted market value for assessment pur-
44 poses as such values existed on December 31, 1993. Such maintenance and op-
45 eration levy shall be based on the property tax computation ratio multiplied
46 by the actual or adjusted market value for assessment purposes as such values
47 existed on December 31 of the prior calendar year.

1 SECTION 3. That Section 33-1002, Idaho Code, as amended by Section 5,
2 Chapter 374, Laws of 2016, be, and the same is hereby amended to read as fol-
3 lows:

4 33-1002. EDUCATIONAL SUPPORT PROGRAM. The educational support pro-
5 gram is calculated as follows:

6 (1) State Educational Support Funds. Add the state appropriation, in-
7 cluding the moneys available in the public school income fund, together with
8 all miscellaneous revenues to determine the total state funds.

9 (2) From the total state funds subtract the following amounts needed
10 for state support of special programs provided by a school district:

11 (a) Pupil tuition-equivalency allowances as provided in section
12 33-1002B, Idaho Code;

13 (b) Transportation support program as provided in section 33-1006,
14 Idaho Code;

15 (c) Feasibility studies allowance as provided in section 33-1007A,
16 Idaho Code;

17 (d) The approved costs for border district allowance, provided in sec-
18 tion 33-1403, Idaho Code, as determined by the state superintendent of
19 public instruction;

20 (e) The approved costs for exceptional child approved contract al-
21 lowance, provided in subsection 2. of section 33-2004, Idaho Code, as
22 determined by the state superintendent of public instruction;

23 (f) Certain expectant and delivered mothers allowance as provided in
24 section 33-2006, Idaho Code;

25 (g) Salary-based apportionment calculated as provided in sections
26 33-1004 through 33-1004F, Idaho Code;

27 (h) Unemployment insurance benefit payments according to the provi-
28 sions of section 72-1349A, Idaho Code;

29 (i) For expenditure as provided by the public school technology pro-
30 gram;

31 (j) For employee severance payments as provided in section 33-521,
32 Idaho Code;

33 (k) For distributions to the Idaho digital learning academy as provided
34 in section 33-1020, Idaho Code;

35 (l) For charter school facilities funds and reimbursements paid pur-
36 suant to section 33-5208(5), Idaho Code;

37 (m) For an online course portal as provided for in section 33-1024,
38 Idaho Code;

39 (n) For advanced opportunities as provided for in chapter 46, title 33,
40 Idaho Code;

41 (o) For additional math and science courses for high school students as
42 provided in section 33-1021, Idaho Code;

43 (p) For leadership premiums as provided in section 33-1004J, Idaho
44 Code;

45 (q) For master teacher premiums as provided in section 33-1004I, Idaho
46 Code;

47 (~~sr~~) For the support of provisions that provide a safe environment con-
48 ductive to student learning and maintain classroom discipline, an allo-
49 cation of three hundred dollars (\$300) per support unit;

1 ~~(s)~~ An amount specified in the appropriation bill for the public
 2 schools educational support program for counseling support as provided
 3 for in section 33-1212A, Idaho Code, shall be distributed for grades 8
 4 through 12 as follows:

5 (i) For school districts and public charter schools with one hun-
 6 dred (100) or more students enrolled in grades 8 through 12, a pro
 7 rata distribution based on students enrolled in grades 8 through
 8 12 or ten thousand dollars (\$10,000), whichever is greater;

9 (ii) For school districts and public charter schools with fewer
 10 than one hundred (100) students enrolled in grades 8 through
 11 12, one hundred dollars (\$100) per student enrolled in grades
 12 8 through 12 or five thousand dollars (\$5,000), whichever is
 13 greater;

14 ~~(t)~~ An amount specified in the public schools educational support pro-
 15 gram appropriation bill for literacy intervention pursuant to section
 16 33-1616, Idaho Code, the disbursements made to the school districts
 17 and public charter schools in the aggregate shall not exceed the total
 18 amount appropriated for this purpose and shall be based on the actual
 19 costs of such intervention programs. School districts and public char-
 20 ter schools shall be reimbursed in full or in pro rata based on the
 21 average number of students in kindergarten through grade 3 who score ba-
 22 sic or below basic on the fall statewide reading assessment in the prior
 23 three (3) years;

24 ~~(u)~~ For mastery-based education as provided for in section 33-1630,
 25 Idaho Code; and

26 (v) For pay for success contracting as provided in section 33-125B,
 27 Idaho Code; and

28 (w) Any additional amounts as required by statute to effect administra-
 29 tive adjustments or as specifically required by the provisions of any
 30 bill of appropriation;

31 to secure the total educational support distribution funds.

32 (3) Average Daily Attendance. The total state average daily attendance
 33 shall be the sum of the average daily attendance of all of the school dis-
 34 tricts of the state. The state board of education shall establish rules set-
 35 ting forth the procedure to determine average daily attendance and the time
 36 for, and method of, submission of such report. Average daily attendance cal-
 37 culation shall be carried out to the nearest hundredth. Computation of av-
 38 erage daily attendance shall also be governed by the provisions of section
 39 33-1003A, Idaho Code.

40 (4) Support Units. The total state support units shall be determined
 41 by using the tables set out hereafter called computation of kindergarten
 42 support units, computation of elementary support units, computation of sec-
 43 ondary support units, computation of exceptional education support units,
 44 and computation of alternative school support units. The sum of all of the
 45 total support units of all school districts of the state shall be the total
 46 state support units.

1 COMPUTATION OF KINDERGARTEN SUPPORT UNITS

2	Average Daily		
3	Attendance	Attendance Divisor	Units Allowed
4	41 or more....	40.....	1 or more as computed
5	31 - 40.99 ADA....	-.....	1
6	26 - 30.99 ADA....	-.....	.85
7	21 - 25.99 ADA....	-.....	.75
8	16 - 20.99 ADA....	-.....	.6
9	8 - 15.99 ADA....	-.....	.5
10	1 - 7.99 ADA....	-.....	count as elementary

11 COMPUTATION OF ELEMENTARY SUPPORT UNITS

12	Average Daily		Minimum Units
13	Attendance	Attendance Divisor	Allowed
14	300 or more ADA.....	.....	.. 15
15		..23...grades 4,5 & 6....	
16		..22...grades 1,2 & 3....1994-95	
17		..21...grades 1,2 & 3....1995-96	
18		..20...grades 1,2 & 3....1996-97	
19		and each year thereafter.	
20	160 to 299.99 ADA...	20.....	8.4
21	110 to 159.99 ADA...	19.....	6.8
22	71.1 to 109.99 ADA...	16.....	4.7
23	51.7 to 71.0 ADA...	15.....	4.0
24	33.6 to 51.6 ADA...	13.....	2.8
25	16.6 to 33.5 ADA...	12.....	1.4
26	1.0 to 16.5 ADA...	n/a.....	1.0

1 COMPUTATION OF SECONDARY SUPPORT UNITS

2	Average Daily		Minimum Units
3	Attendance	Attendance Divisor	Allowed
4	750 or more....	18.5	47
5	400 - 749.99 ADA....	16	28
6	300 - 399.99 ADA....	14.5	22
7	200 - 299.99 ADA....	13.5	17
8	100 - 199.99 ADA....	12	9
9	99.99 or fewer	Units allowed as follows:	
10	Grades 7-12	.....	8
11	Grades 9-12	.....	6
12	Grades 7- 9	.....	1 per 14 ADA
13	Grades 7- 8	.....	1 per 16 ADA

14 COMPUTATION OF EXCEPTIONAL EDUCATION SUPPORT UNITS

15	Average Daily		Minimum Units
16	Attendance	Attendance Divisor	Allowed
17	14 or more....	14.5	1 or more as computed
18			
19	12 - 13.99....	-	1
20	8 - 11.99....	- .....	.75
21	4 - 7.99....	- .....	.5
22	1 - 3.99....	- .....	.25

23 COMPUTATION OF ALTERNATIVE SCHOOL SUPPORT UNITS

24 (Computation of alternative school support units shall include
25 grades 6 through 12)

26	Pupils in Attendance	Attendance Divisor	Minimum Units
27			Allowed
28	12 or more.....	12	1 or more as computed
29			

30 In applying these tables to any given separate attendance unit, no
31 school district shall receive less total money than it would receive if it
32 had a lesser average daily attendance in such separate attendance unit. In
33 applying the kindergarten table to a kindergarten program of fewer days
34 than a full school year, the support unit allowance shall be in ratio to the
35 number of days of a full school year. The attendance of students attending
36 an alternative school in a school district reporting fewer than one hundred
37 (100) secondary students in average daily attendance shall not be assigned
38 to the alternative table if the student is from a school district reporting
39 fewer than one hundred (100) secondary students in average daily attendance,

1 but shall instead be assigned to the secondary table of the school district
2 in which they are attending the alternative school, unless the alternative
3 school in question serves students from multiple districts reporting fewer
4 than one hundred (100) secondary students in average daily attendance. The
5 tables for exceptional education and alternative school support units shall
6 be applicable only for programs approved by the state department of educa-
7 tion following rules established by the state board of education. Moneys
8 generated from computation of support units for alternative schools shall be
9 utilized for alternative school programs. School district administrative
10 and facility costs may be included as part of the alternative school expen-
11 ditures.

12 (5) State Distribution Factor per Support Unit. Divide educational
13 support program distribution funds, after subtracting the amounts necessary
14 to pay the obligations specified in subsection (2) of this section, by the
15 total state support units to secure the state distribution factor per sup-
16 port unit.

17 (6) District Support Units. The number of support units for each school
18 district in the state shall be determined as follows:

19 (a) (i) Divide the actual average daily attendance, excluding stu-
20 dents approved for inclusion in the exceptional child educational
21 program, for the administrative schools and each of the separate
22 schools and attendance units by the appropriate divisor from the
23 tables of support units in this section, then add the quotients
24 to obtain the district's support units allowance for regular stu-
25 dents, kindergarten through grade 12 including alternative school
26 students. Calculations in application of this subsection shall be
27 carried out to the nearest hundredth.

28 (ii) Divide the combined totals of the average daily attendance
29 of all preschool, kindergarten, elementary, secondary, juvenile
30 detention center students and students with disabilities approved
31 for inclusion in the exceptional child program of the district by
32 the appropriate divisor from the table for computation of excep-
33 tional education support units to obtain the number of support
34 units allowed for the district's approved exceptional child pro-
35 gram. Calculations for this subsection shall be carried out to the
36 nearest hundredth when more than one (1) unit is allowed.

37 (iii) The total number of support units of the district shall be
38 the sum of the total support units for regular students, subpara-
39 graph (i) of this paragraph, and the support units allowance for
40 the approved exceptional child program, subparagraph (ii) of this
41 paragraph.

42 (b) Total District Allowance Educational Program. Multiply the dis-
43 trict's total number of support units, carried out to the nearest hun-
44 dredth, by the state distribution factor per support unit and to this
45 product add the approved amount of programs of the district provided in
46 subsection (2) of this section to secure the district's total allowance
47 for the educational support program.

48 (c) District Share. The district's share of state apportionment is the
49 amount of the total district allowance, paragraph (b) of this subsec-
50 tion.

1 (d) Adjustment of District Share. The contract salary of every noncer-
2 tificated teacher shall be subtracted from the district's share as cal-
3 culated from the provisions of paragraph (c) of this subsection.

4 (7) Property Tax Computation Ratio. In order to receive state funds
5 pursuant to this section, a charter district shall utilize a school mainte-
6 nance and operation property tax computation ratio for the purpose of calcu-
7 lating its maintenance and operation levy that is no greater than that which
8 it utilized in tax year 1994, less four-tenths of one percent (.4%). As used
9 herein, the term "property tax computation ratio" shall mean a ratio deter-
10 mined by dividing the district's certified property tax maintenance and op-
11 eration budget by the actual or adjusted market value for assessment pur-
12 poses as such values existed on December 31, 1993. Such maintenance and op-
13 eration levy shall be based on the property tax computation ratio multiplied
14 by the actual or adjusted market value for assessment purposes as such values
15 existed on December 31 of the prior calendar year.

16 SECTION 4. Sections 1 and 2 of this act shall be in full force and effect
17 on and after July 1, 2017. Section 3 of this act shall be in full force and
18 effect on and after July 1, 2019.