

**MINUTES OF THE JOINT PUBLIC EDUCATION APPROPRIATIONS
SUBCOMMITTEE
MONDAY, FEBRUARY 10, 2003
ROOM 129, STATE CAPITOL BUILDING**

Members Present: Sen. Howard Stephenson, Co-Chair
 Rep. Gordon E. Snow, Co-Chair
 Sen. James Evans
 Sen. Karen Hale
 Sen. Lyle Hillyard
 Sen. Bill Wright
 Rep. Doug Aagard
 Rep. Duane Bourdeaux
 Rep. Judy Ann Buffmire
 Rep. LaVar Christensen
 Rep. David N. Cox
 Rep. Marda Dillree
 Rep. Glenn Donnelson
 Rep. John Dougall
 Rep. James Ferrin
 Rep. Karen Morgan

Staff Present: R. Michael Kjar, Legislative Fiscal Analyst
 Ben Leishman, Legislative Fiscal Analyst
 Nedra Duzett, Secretary

Public Speakers Present:

Visitor List on File

Committee Co-Chair Rep. Snow called the meeting to order at 2:15 p.m.

Sen. Hillyard handed out a document from the National Center for Public Policy and Higher Education. The paper was a state report card for Utah schools for 2002. Further information on the report card and how Utah measures up may be obtained from Sen. Hillyard.

1. Approval of Minutes - **MOTION:** Rep. Cox moved to approve the minutes of Feb. 3 and Feb. 5, 2003 meetings.

The motion passed unanimously.

2. Budget Discussion - Mike Kjar, Fiscal Analyst, distributed copies of proposed motions to the committee. The motion sheets were designed to adopt the base budget as it had

been presented to the committee over the past three weeks. Mr. Kjar pointed out that internal service fund rate, printing costs, mail-room costs and capital outlay are required to be adopted. He proposed that the committee accept the motions as a beginning point in adopting the base budget. If a change is made in the Minimum School Program adjustments will be made.

MOTION: Rep. Bourdeaux moved to remove Alternative Language Services from the Interventions for Student Success Block and re-establish as a line in the Minimum School Program Act.

The motion failed. Those voting in favor of the motion were Rep. Dillree, Rep. Buffmire, Rep. Bourdeaux, Sen. Evans and Sen. Hale.

MOTION: Rep. Christensen moved to adopt the following intent language: In recognition of exceptional quality teaching, the use of Quality Teaching Block Grant funds may include the award of Individual Quality Teaching Bonuses for exemplary teachers to recognize and reward excellence in classrooms of the state's public schools as made available by local school districts and as determined by school principals in partnership with their school community council.

The motion passed with Rep. Cox voting in opposition.

MOTION: Rep Morgan moved that the co-chairs of the Public Education Appropriations Subcommittee recommend to the Legislative Management Committee that the management audit of the Utah Schools for the Deaf and Blind, approved by this subcommittee during the 2002 General Session, be completed and reported back to this subcommittee by the end of November 2003.

The subcommittee wanted the management audit to include the following issues: Are the teachers at USDB receiving all funds appropriated by the Legislature for salaries and benefits, what is the cause of large year-end balances reported by USDB, and are the schools generally well managed.

The motion passed unanimously.

MOTION: Rep. Buffmire moved that it is the intent of the Legislature that a study be performed of Applied Technology Education with the Utah System of Higher Education, Public Education, and the Utah College of Applied Technology, by the Office of the Legislative Fiscal Analyst in conjunction with the Governor's Office of Planning and Budget. It is further the intent of the Legislature that a written report be presented by October 2003 to the Executive Appropriation Committee, and also reported to the appropriate Legislative Appropriation Subcommittees during the 2004 General Session.

SUBSTITUTE MOTION: Sen. Stephenson moved that the motion as written be modified to describe more fully the purpose of the study. After words "be performed of" insert "overlapping services within" applied technology.

The motion passed with Rep. Buffmire, Rep. Bourdeaux, and Sen. Hale voting against the motion. Sen. Hillyard was not present for the voting.

MOTION: Rep. Ferrin moved the following intent language:

Eliminate from UCA 53A-1a-513 Funding for Charter Schools the following provisions:

A school district in which a charter school student resides shall pay to the Charter School one half of the amount by which the resident district's per student expenditure exceeds the value of funding provided by the state.

The Legislature shall provide an appropriation for Charter Schools for each of their students equal to the lesser half of the statewide school district average per student expenditure in excess of state funding.

Create in the Minimum School Program Act an appropriation for Charter School Local Funding Replacement in the amount of \$2,990,370, of which, \$420,000 will be transferred from the Law, Legislation and Educational Services Division of the State Office of Education.

The State Board of Education shall distribute the available funds, up to \$1,022 per student enrolled in a Charter School. Charter Schools shall receive these funds for their students provided that the Charter School did not convert from an existing public school, or a local school board sponsored Charter School operating in a facility owned by the school district, and not paying reasonable rent to the school district.

SUBSTITUTE MOTION: Sen. Stephenson moved to adopt the language in the motion with the following change: in the last paragraph, replace "up to \$1,022 per student" with "representing an equivalent amount of the state wide average of local school property taxes less property taxes for principal payment of bonds."

The motion passed with Rep. Dougall, Rep. Buffmire, Rep. Bourdeaux, Sen. Hale and Sen Hillyard voting against the motion. Sen. Wright was absent for the vote.

MOTION: Rep. Dillree moved that students enrolled in a Charter School receive the following Weighted Pupil Unit weightings from the Minimum School Program excluding Charter School local revenue replacement funding : Kindergarten - .55, Grades 1-6 - .90, Grades 7-8 - .99, Grades 9-12 - 1.2.

MOTION: The motion passed with Rep. Ferrin, and Rep. Bourdeaux voting against the motion. Sen. Hillyard and Sen. Wright were absent for the vote.

MOTION: Rep. Cox moved to approve the FY 2004 base budget of \$173,616,600 for the State Office of Education, which includes \$21,815,600 from the Uniform School Fund as well as other funding sources and programs as detailed on pages 5, 6, 8, and 9.

The motion passed with Rep. Bourdeaux and Sen. Hale voting against the motion. Sen. Hillyard and Sen. Wright were absent for the vote.

Rep. Cox distributed a salmon color spreadsheet with his budget proposal compared to the Plan A and Plan B Analyst's budget proposal presented in the last meeting. Rep. Cox recommended money be taken from class-size reduction to cover the \$18 million cut, and if this money is restored it would be given to class-size reduction.

MOTION: Rep. Cox moved to replace the original plan A with his plan on the salmon colored spreadsheet.

SUBSTITUTE MOTION: Rep. Dillree moved to take \$387,000 from line 8, (Transportation) Plan A and move it to Plan B; take \$1,000,000 from line 13 (Applied Technology) Plan A and move this amount to Plan B; reduce line 18 (Extra Day) from \$5,000,000 to \$3,613,000; reduce line 10 (Professional Staff Growth) by \$552,825 making a total of \$643,409.

Sen. Stephensen amended the motion to move \$3,613,000 on line 18 (Extra Day) to line 16 (Quality Teaching Block Grant) to remove any confusion that the money is intended to be for the Quality Teaching Block Grant.

The motion failed.

The vote on Rep. Cox's original motion failed.

MOTION: Rep. Ferrin moved to increase funding for Charter Schools on line 34 by \$1,012,374 and increase line 6 (School Trust Land Cap) from \$2 million to \$3 million, therefore, reducing the School Trust Land cap by \$747,474.

SUBSTITUTE MOTION: Sen. Wright moved to decrease line 16, Quality Teaching Block Grant by \$747,474, and increase line 34, Charter Schools Equity Fund by \$1,012,374, and line 44, unappropriated balance would be 0.

The motion passed with Rep. Dougall, Rep. Christensen, Rep. Cox, Rep Bourdeaux, and Sen. Hale voting against the motion. Sen. Hillyard was absent for the vote.

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MOTION: Rep. Dillree moved to adjourn the meeting at 5:20 p.m.

Minutes prepared by Nedra Duzett, Secretary.

Sen. Howard Stephenson, Committee Co-Chair

Rep. Gordon Snow, Committee Co-Chair