

1 **ENROLLMENT GROWTH PROGRAM**

2 **AMENDMENTS**

3 2005 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: Bradley G. Last**

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7 **LONG TITLE**

8 **General Description:**

9 This bill modifies the funding formula for a program that provides money to school  
10 districts for school building construction.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ defines terms, including "yield per ADM";
- 14 ▶ removes the requirement that a school district be a recipient of monies distributed  
15 under the Capital Outlay Foundation Program to qualify for monies under the  
16 Enrollment Growth Program; and
- 17 ▶ requires school districts to have a tax yield below a certain amount to qualify for  
18 monies under the Enrollment Growth Program.

19 **Monies Appropriated in this Bill:**

20 None

21 **Other Special Clauses:**

22 This bill takes effect on July 1, 2005.

23 **Utah Code Sections Affected:**

24 AMENDS:

25 **53A-21-103.5**, as enacted by Chapter 320, Laws of Utah 2003

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27 *Be it enacted by the Legislature of the state of Utah:*



28 Section 1. Section **53A-21-103.5** is amended to read:

29 **53A-21-103.5. Qualifications for participation in the Enrollment Growth**  
30 **Program -- State Board of Education rules -- Distribution formula.**

31 ~~[(1)(a) In order to qualify for monies under the Enrollment Growth Program~~  
32 ~~established in Section 53A-21-102, a school district must be a recipient of monies distributed~~  
33 ~~under the Capital Outlay Foundation Program, except as provided in Subsection (1)(b).]~~

34 ~~[(b) A school district that is not a recipient of Capital Outlay Foundation Program~~  
35 ~~monies in fiscal year 2003-04, fiscal year 2004-05, or both, may qualify for monies under the~~  
36 ~~Enrollment Growth Program if the school district received Capital Outlay Foundation Program~~  
37 ~~monies in fiscal year 2002-03.]~~

38 (1) As used in this section:

39 (a) "ADM" means average daily membership.

40 (b) "Derived valuation" means total school district property tax current collections  
41 from April 1 through the following March 31, divided by the tax rates for the same year.

42 (c) "Yield per ADM" means the product of the derived valuation multiplied by .0024,  
43 divided by average daily membership.

44 (2) (a) The State Board of Education shall distribute monies in the Enrollment Growth  
45 Program to qualifying school districts whose:

46 (i) average net enrollment for the prior three years is a net increase in enrollment[-];  
47 and

48 (ii) yield per ADM is less than two times the prior year's average yield per ADM for  
49 Utah school districts.

50 (b) A school district that meets the criteria of Subsection (2)(a) shall receive  
51 Enrollment Growth Program monies in the same proportion that the district's three-year  
52 average net enrollment bears to the total three-year net enrollment of all the districts that meet  
53 the criteria of Subsection (2)(a).

54 (c) The State Board of Education shall make rules in accordance with Title 63, Chapter  
55 46a, Utah Administrative Rulemaking Act, to administer this section.

56 Section 2. **Effective date.**

57 This bill takes effect on July 1, 2005.

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**Legislative Review Note**

as of 1-31-05 1:21 PM

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

**Office of Legislative Research and General Counsel**

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**Fiscal Note**  
**Bill Number HB0124**

**Enrollment Growth Program Amendments**

*08-Feb-05*

*8:07 AM*

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**State Impact**

Implementation of this bill would have no net fiscal impact on state funds. Bill provisions change the manner in which Enrollment Growth Program funds are distributed to school districts. Depending on the distribution criteria detailed in this bill and the distribution criteria currently in statute, the dispersal of enrollment growth funds may change among the school districts. Preliminary estimates indicate that under the provisions outlined in this bill, 17 school districts would qualify for Enrollment Growth Program funds instead of 13 under current statutory provisions.

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**Individual and Business Impact**

No fiscal impact

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**Office of the Legislative Fiscal Analyst**