



# House of Representatives *State of Utah*

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P.O. BOX 145030 • SALT LAKE CITY, UTAH 84114-5030 • (801) 538-1029

## NOTICE OF BILL RETURNED TO RULES COMMITTEE

March 4, 2009

Mr. Speaker:

The Revenue and Taxation Committee has returned **H.B. 199**, STATEWIDE EQUALIZATION OF SCHOOL FUNDING, by Representative W. Harper, to the Rules Committee without recommendation with the following amendments:

1. *Page 4, Lines 103 through 104:*

103                    Part 6.    ~~Capitol~~    Capital    Outlay Equalization Program  
104                    53A-21-601. Capital Outlay Equalization Program -- Definitions.

2. *Page 5, Lines 126 through 127:*

126                    (e) "Contributing district" or "contributing school district" means a  
                          participating school district that  
127                    in a fiscal year receives less revenue from the allocations made under Section 53A-21-602  
                          than

3. *Page 5, Line 130:*

130                    (f) "Neutral school district" means a participating school district that in a fiscal  
                          year receives the

4. *Page 5, Lines 133 through 134:*

133                    53A-21-603.  
134                    (g)    "Participating school district" or "participating district" means a school

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district that:

(i) is located in a county of the first, second, or third class; or

(ii) is located in a county of the fourth, fifth, or sixth class and notifies the

State Board of Education of its intent to participate in the Capital Outlay  
Equalization Program.

(h) "Rate reduction limitation increment" means, for a receiving district whose

5. *Page 5, Line 142:*

142            ~~{(h)}~~    (i)    "Receiving district" or "receiving school district" means a  
participating school district that in a

6. *Page 5, Lines 149 through 151:*

149    2010-11, the State Board of Education shall allocate funding from the Capital Outlay  
150    Equalization Fund to a participating school district in an amount equal to the product  
of:  
151            (i) the adjusted allocation amount per student; and

7. *Page 6, Lines 168 through 169:*

168            (2) The State Board of Education shall allocate to a participating school district  
the greater of an  
169    amount equal to ~~{a}~~ the participating school district's allocation pursuant to  
Subsection (1) or an amount equal to

8. *Page 6, Lines 170 through 177:*

170    the revenue generated within the participating school district by the imposition of the  
basic capital outlay  
171    levy required under Section 53A-21-603 if ~~{:~~  
172    ~~—(a) the school district is in a county of the fourth through sixth class; or~~  
173    ~~—(b)—~~ the participating school district:

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174            ~~{(f)}~~    (a)    has a school district property tax base per enrolled student less  
                 than 70% of the  
175    statewide average property tax base per enrolled student; and  
176            ~~{(f)}~~    (b)    a combined capital levy rate greater than 70% of the highest  
                 combined capital levy  
177    rate.

9. *Page 6, Line 180 through Page 7, Line 184:*

180    shall reduce each district's allocation by an equal percentage.  
181            (4) A participating school district shall remit to the State Board of Education an  
                 amount equal to the  
182    revenue generated from the basic capital outlay tax rate imposed under Section  
                 53A-21-603 on  
183    or before the June 30 immediately following the end of the taxable year in which the  
                 participating1 school  
184    district imposes the basic capital outlay tax rate.

10. *Page 7, Line 199:*

199    decrease other allocations that would otherwise be made to a participating school  
                 district, if the accounting

11. *Page 7, Lines 205 through 207:*

205            For taxable years beginning on or after January 1, 2010, in order to qualify for receipt  
                 of  
206    state funds pursuant to Title 53A, Chapter 17a, Minimum School Program Act, a  
                 participating school district  
207    shall impose a basic capital outlay tax rate of ~~{-.000727}~~ .000584 per dollar of  
                 taxable value.

12. *Page 7, Line 212 through Page 8, Line 215:*

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212           (b) "Combined capital outlay certified tax rate" means a combined capital levy tax  
rate  
213   that will provide the same ad valorem property tax revenues for a **participating** school  
district as were  
214   budgeted by that **participating** school district for the prior year for the  
**participating** school district's combined capital levy  
215   rate.

13. *Page 8, Lines 219 through 224:*

219           (3) The calculation of a **participating** school district's combined capital outlay  
certified tax rate shall  
220   be used:  
221           (a) by the State Board of Education to determine the allocation of funds from the  
222   Capital Outlay Equalization Fund in accordance with Section 53A-21-602; and  
223           (b) to offset ~~{a}~~ **the participating** school district's aggregate certified tax  
rate as provided in Section  
224   59-2-924.5.

Respectfully,

Todd E. Kiser  
Committee Chair

Voting: --

14 HB0199.HC1.WPD 3/4/09 12:22 pm ryoung/BRH ADO/PVD

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