

SB0038S04 compared with SB0038S02

~~{deleted text}~~ shows text that was in SB0038S02 but was deleted in SB0038S04.

inserted text shows text that was not in SB0038S02 but was inserted into SB0038S04.

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Representative ~~{Steve Eliason}~~ Francis D. Gibson proposes the following substitute bill:

SCHOOL FUNDING AMENDMENTS

2016 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Howard A. Stephenson

House Sponsor: Steve Eliason

LONG TITLE

General Description:

This bill amends provisions related to school district property taxes and charter school funding.

Highlighted Provisions:

This bill:

- ~~{~~ → ~~includes the existing definition of "basic program";~~
- ~~}~~ ▶ amends the definition of "district local property tax revenues" to include school district revenues expended for recreational facilities and revenues received from certain state guarantees;
- ▶ defines terms;
- ▶ amends ~~{the allocation}~~ provisions that require a school district ~~{makes for resident students enrolled in a charter school}~~ to allocate a certain portion of school district

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tax revenues for charter schools;

- ▶ amends charter school facility expenditures provisions;
- ▶ ~~{requires a school district at a public hearing to state the percentage of property tax revenue that represents revenue distributed to charter schools;~~
- ▶ ~~requires a notice of property valuation and a property tax notice to include information on revenue distributed to charter schools}~~ amends provisions related to the board local levy;
- ▶ creates a levy for charter school funding;
- ▶ provides for the distribution of revenues from the levy for charter school funding;
- ▶ establishes the Charter School Levy Account;
- ▶ requires certain notice on the charter school funding levy; and
- ▶ makes technical corrections.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

53A-1a-513, as last amended by Laws of Utah 2015, Chapters 64 and 380

~~{53A-19-102}~~ 53A-17a-105, as last amended by Laws of Utah ~~{2010}~~ 2015, ~~{Chapters 84, 135, and 160~~

—~~59-2-919.1~~, as last amended by Laws of Utah 2014, Chapter 256 and further amended by Revisor Instructions, Laws of Utah 2014, Chapter 256

—~~59-2-1317~~ Chapter 449

53A-17a-164, as last amended by Laws of Utah ~~{2015}~~ 2013, ~~{Chapter 349}~~ Chapters 178 and 313

63I-2-253, as last amended by Laws of Utah 2015, Chapters 258, 418, and 456

ENACTS:

53A-1a-513.1, Utah Code Annotated 1953

53A-1a-513.2, Utah Code Annotated 1953

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

Section 1. Section **53A-1a-513** is amended to read:

53A-1a-513. Funding for charter schools.

(1) As used in this section:

(a) "Basic program" means the same as that term is defined in Section 53A-17a-103.

~~[(a)]~~ (b) "Charter school students' average local revenues" means the amount determined as follows:

(i) for each student enrolled in a charter school on the previous October 1, calculate the district per pupil local revenues of the school district in which the student resides;

(ii) sum the district per pupil local revenues for each student enrolled in a charter school on the previous October 1; and

(iii) divide the sum calculated under Subsection (1)~~[(a)]~~(b)(ii) by the number of students enrolled in charter schools on the previous October 1.

(c) "Charter school levy per pupil revenues" means the same as that term is defined in Section 53A-1a-513.1.

~~[(b)]~~ ~~(c)~~ (d) "District local property tax revenues" means the sum of a school district's revenue received from the following ~~[levies]~~:

(i) a voted local levy imposed under Section 53A-17a-133;

(ii) a board local levy imposed under Section 53A-17a-164, excluding revenues expended for:

~~[(A) recreational facilities and activities authorized under Title 11, Chapter 2, Playgrounds;]~~

~~[(B)]~~ (A) pupil transportation, up to the amount of revenue generated by a .0003 per dollar of taxable value of the school district's board local levy; and

~~[(C)]~~ (B) the K-3 Reading Improvement Program, up to the amount of revenue generated by a .000121 per dollar of taxable value of the school district's board local levy; ~~[and]~~

(iii) a capital local levy imposed under Section 53A-16-113~~[-]; and~~

(iv) a guarantee described in Section 53A-17a-133, 53A-17a-164, 53A-21-202, or 53A-21-302.

~~[(e)]~~ ~~(f)~~ (e) "District per pupil local revenues" means ~~[an amount equal to the~~

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following], using data from the most recently published school district annual financial reports and state superintendent's annual report[;], an amount equal to [(†)] district local property tax revenues[;] divided by [(†)] the sum of:

[(A)] (i) a school district's average daily membership; and

[(B)] (ii) the average daily membership of a school district's resident students who attend charter schools.

[(d)] [(f)] "Resident student" means a student who is considered a resident of the school district under Title 53A, Chapter 2, Part 2, District of Residency.

[(e)] [(g)] "Statewide average debt service revenues" means the amount determined as follows, using data from the most recently published state superintendent's annual report:

(i) sum the revenues of each school district from the debt service levy imposed under Section 11-14-310; and

(ii) divide the sum calculated under Subsection (1)[(e)][(g)](i) by statewide school district average daily membership.

(2) (a) Charter schools shall receive funding as described in this section, except Subsections (3) through (8) do not apply to charter schools described in Subsection (2)(b).

(b) Charter schools authorized by local school boards that are converted from district schools or operate in district facilities without paying reasonable rent shall receive funding as prescribed in Section 53A-1a-515.

(3) (a) Except as provided in Subsections (3)(b) and (3)(c), a charter school shall receive state funds, as applicable, on the same basis as a school district receives funds.

(b) For the 2015-16 school year, the number of weighted pupil units assigned to a charter school for the kindergarten and grades 1 through 12 programs of the Basic School Program shall be:

(i) based on the higher of:

(A) October 1 enrollment in the current school year; or

(B) average daily membership in the prior school year plus growth as determined under Section 53A-17a-106; and

(ii) weighted as provided in Subsection (3)(c).

(c) In distributing funds under Chapter 17a, Minimum School Program Act, to charter schools, charter school pupils shall be weighted, where applicable, as follows:

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- (i) .55 for kindergarten pupils;
- (ii) .9 for pupils in grades 1 through 6;
- (iii) .99 for pupils in grades 7 through 8; and
- (iv) 1.2 for pupils in grades 9 through 12.

(4) (a) (i) A school district shall allocate a portion of school district revenues for each resident student of the school district who is enrolled in a charter school on the previous October 1 equal to 25% of the district per pupil local revenues[~~;~~] excluding the amount of revenues:

(A) described in Subsection (1)(~~f~~~~e~~~~d~~)(iv) collected by the district; and

(B) expended by the school district for recreational facilities and activities authorized under Title 11, Chapter 2, Playgrounds.

(ii) Nothing in this Subsection (4)(a) affects the school bond guarantee program established under Chapter 28, Utah School Bond Guaranty Act.

(b) The State Board of Education shall:

(i) deduct an amount equal to the allocation provided under Subsection (4)(a) from state funds the school district is authorized to receive under Chapter 17a, Minimum School Program Act; and

(ii) remit the money to the student's charter school.

(c) Notwithstanding the method used to transfer school district revenues to charter schools as provided in Subsection (4)(b), a school district may deduct the allocations to charter schools under this section from:

(i) unrestricted revenues available to the school district; or

(ii) the revenue sources listed in Subsection (1)(~~f~~~~b~~)(c) based on the portion of the allocations to charter schools attributed to each of the revenue sources listed in Subsection (1)(~~f~~~~b~~)(c).

(d) (i) Subject to future budget constraints, the Legislature shall provide an appropriation for charter schools for each student enrolled on October 1 to supplement the allocation of school district revenues under Subsection (4)(a).

(ii) Except as provided in Subsection (4)(d)(iii), the amount of money provided by the state for a charter school student shall be the sum of:

(A) charter school students' average local revenues minus the allocation of school

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district revenues under Subsection (4)(a); and

(B) statewide average debt service revenues.

(iii) If the total of a school district's allocation for a charter school student under Subsection (4)(a) and the amount provided by the state under Subsection (4)(d)(ii) is less than \$1427, the state shall provide an additional supplement so that a charter school receives at least \$1427 per student under this Subsection (4).

(iv) (A) If the appropriation provided under this Subsection (4)(d) is less than the amount prescribed by Subsection (4)(d)(ii) or (4)(d)(iii), the appropriation shall be allocated among charter schools in proportion to each charter school's enrollment as a percentage of the total enrollment in charter schools.

(B) If the State Board of Education makes adjustments to Minimum School Program allocations as provided under Section 53A-17a-105, the allocation provided in Subsection (4)(d)(iv)(A) shall be determined after adjustments are made under Section 53A-17a-105.

(e) ~~†~~[Øf] (i) Except as provided in Subsection (4)(e)(ii), of the money provided to a charter school under this Subsection (4), 10% shall be expended for funding school facilities only.

(ii) Subsection (4)(e)(i) does not apply to an online charter school.

(f) This Subsection (4) is repealed July 1, 2017.

(5) (a) As described in Section 53A-1a-513.1, the State Board of Education shall distribute charter school levy per pupil revenues to charter schools.

(b) (i) Subject to future budget constraints, the Legislature shall provide an appropriation for charter schools for each charter school student enrolled on October 1 to supplement the allocation of charter school levy per pupil revenues described in Subsection (5)(a).

(ii) Except as provided in Subsection (5)(b)(iii), the amount of money provided by the state for a charter school student shall be the sum of:

(A) charter school students' average local revenues minus the charter school levy per pupil revenues; and

(B) statewide average debt service revenues.

(iii) If the total of charter school levy per pupil revenues and the amount provided by the state under Subsection (5)(b)(ii) is less than \$1,427, the state shall provide an additional

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supplement so that a charter school receives at least \$1,427 per student under this Subsection (5).

(iv) (A) If the appropriation provided under this Subsection (5)(b) is less than the amount prescribed by Subsection (5)(b)(ii) or (5)(b)(iii), the appropriation shall be allocated among charter schools in proportion to each charter school's enrollment as a percentage of the total enrollment in charter schools.

(B) If the State Board of Education makes adjustments to Minimum School Program allocations as provided under Section 53A-17a-105, the allocation provided in Subsection (5)(b)(iv)(A) shall be determined after adjustments are made under Section 53A-17a-105.

(c) (i) Of the money provided to a charter school under this Subsection (5), 10% shall be expended for funding school facilities only.

(ii) Subsection (5)(c)(i) does not apply to an online charter school.

(d) This Subsection (5) is effective July 1, 2017.

~~[(5)]~~ (6) Charter schools are eligible to receive federal funds if they meet all applicable federal requirements and comply with relevant federal regulations.

~~[(6)]~~ (7) The State Board of Education shall distribute funds for charter school students directly to the charter school.

~~[(7)]~~ (8) (a) Notwithstanding Subsection (3), a charter school is not eligible to receive state transportation funding.

(b) The board shall also adopt rules relating to the transportation of students to and from charter schools, taking into account Sections 53A-2-210 and 53A-17a-127.

(c) The governing ~~[body]~~ board of the charter school may provide transportation through an agreement or contract with the local school board, a private provider, or ~~[with]~~ parents.

~~[(8)]~~ (9) (a) (i) In accordance with Section 53A-1a-513.5, the State Charter School Board may allocate grants for start-up costs to charter schools from money appropriated for charter school start-up costs.

(ii) The governing board of a charter school that receives money from a grant under Section 53A-1a-513.5 shall use the grant for expenses for planning and implementation of the charter school.

(b) The State Board of Education shall coordinate the distribution of federal money

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appropriated to help fund costs for establishing and maintaining charter schools within the state.

~~(9)~~(10) (a) A charter school may receive, hold, manage and use any devise, bequest, grant, endowment, gift, or donation of any property made to the school for any of the purposes of this part.

(b) It is unlawful for any person affiliated with a charter school to demand or request any gift, donation, or contribution from a parent, teacher, employee, or other person affiliated with the charter school as a condition for employment or enrollment at the school or continued attendance at the school.

Section 2. Section 53A-1a-513.1 is enacted to read:

53A-1a-513.1. Charter school levy.

(1) As used in this section:

(a) "Board" means the State Board of Education.

(b) "Charter School Levy Account" means the Charter School Levy Account created in Section 53A-1a-513.2.

(c) "Charter school levy per district revenues" means the product of:

(i) a school district's district per pupil local revenues; and

(ii) the number of charter school students in the school district who are resident students.

(d) "Charter school levy per pupil revenues" means an amount equal to the following:

(i) charter school levy total local revenues for a given fiscal year, adjusted if necessary as described in Subsection (4); divided by

(ii) the number of students enrolled in a charter school on October 1 of the prior school year.

(e) "Charter school levy revenues" means the charter school levy revenues generated by a charter school levy rate described in Subsection (2)(b)(i).

(f) "Charter school levy total local revenues" means the sum of charter school levy per district revenues for every school district in the state for the same given fiscal year.

(g) "District per pupil local revenues" means the same as that term is defined in Section 53A-1a-513.

(h) "Resident student" means the same as that term is defined in Section 53A-1a-513.

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(2) (a) Beginning with the taxable year beginning on January 1, 2017, the state shall annually impose a charter school levy as described in this Subsection (2).

(b) (i) For each school district, on or before June 22, the State Tax Commission shall certify a rate for the charter school levy described in Subsection (2)(a) to generate an amount of revenue within a school district equal to 25% of the charter school levy per district revenues excluding the amount of revenues:

(A) described in Subsection 53A-1a-513(1)(d)(iv); and

(B) expended by the school district for recreational facilities and activities authorized under Title 11, Chapter 2, Playgrounds.

(ii) To calculate a charter school levy rate for a school district, the State Tax Commission shall use the calculation method described in Subsection 59-2-924(3)(c)(ii).

(c) The charter school levy shall be separately stated on a tax notice.

(3) (a) A county treasurer shall collect the charter school levy revenues for all school districts located within the county treasurer's county and remit the money monthly to the state treasurer.

(b) The state treasurer shall deposit the charter school levy revenues received from a county treasurer in the Charter School Levy Account.

(4) (a) For each charter school student, the board shall distribute the charter school per pupil levy revenues from the charter school levy account to the student's charter school in accordance with this Subsection (4).

(b) For a given fiscal year, if the actual charter school levy total local revenues are more than the estimated charter school levy total local revenues the board shall:

(i) deduct the amount of revenue that exceeds the estimated charter school levy total local revenues from the actual charter school levy total local revenues; and

(ii) use the remaining amount to calculate the charter school per pupil levy revenues.

(c) For a given fiscal year, if the actual charter school total local revenues are less than the estimated charter school levy total local revenues, the board shall:

(i) if sufficient funds are available in the Charter School Levy Account, add an amount of funds from the Charter School Levy Account to the charter school levy total local revenues to equal the estimated charter school levy total local revenues; and

(ii) if sufficient funds are not available in the Charter School Levy Account, calculate

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the charter school per pupil levy revenues using the actual amount of the charter school levy total local revenues.

Section 3. Section 53A-1a-513.2 is enacted to read:

53A-1a-513.2. Charter School Levy Account.

(1) As used in this section, "account" means the Charter School Levy Account created in this section.

(2) There is created within the Education Fund a restricted account known as the "Charter School Levy Account."

(3) The account shall be funded by amounts deposited into the account in accordance with Section 53A-1a-513.1.

(4) Upon appropriation from the Legislature, the State Board of Education shall distribute funds from the account as described in Section 53A-1a-513.1.

(5) The account shall earn interest.

(6) Interest earned on the account shall be deposited into the account.

(7) Funds in the account are nonlapsing.

Section 4. Section 53A-17a-105 is amended to read:

53A-17a-105. Powers and duties of State Board of Education to adjust Minimum School Program allocations -- Use of remaining funds at the end of a fiscal year.

(1) For purposes of this section:

(a) "Board" means the State Board of Education.

(b) "ESEA" means the Elementary and Secondary Education Act of 1965, 20 U.S.C.

Sec. 6301 et seq.

(c) "LEA" means:

(i) a school district; or

(ii) a charter school.

(d) "Program" means a program or allocation funded by a line item appropriation or other appropriation designated as:

(i) Basic Program;

(ii) Related to Basic Programs;

(iii) Voted and Board Levy Programs; or

(iv) Minimum School Program.

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(2) Except as provided in Subsection (3) or (5), if the number of weighted pupil units in a program is underestimated, the board shall reduce the value of the weighted pupil unit in that program so that the total amount paid for the program does not exceed the amount appropriated for the program.

(3) If the number of weighted pupil units in a program is overestimated, the board shall spend excess money appropriated for the following purposes giving priority to the purpose described in Subsection (3)(a):

(a) to support the value of the weighted pupil unit in a program within the basic state-supported school program in which the number of weighted pupil units is underestimated;

(b) to support the state guarantee per weighted pupil unit provided under the voted local levy program established in Section 53A-17a-133 or the board local levy program established in Section 53A-17a-164, if:

(i) local contributions to the voted local levy program or board local levy program are overestimated; or

(ii) the number of weighted pupil units within school districts qualifying for a guarantee is underestimated;

(c) to support the state supplement to local property taxes allocated to charter schools, if the state supplement is less than the amount prescribed by ~~Subsection~~ Section 53A-1a-513~~(4)~~; or

(d) to support a school district with a loss in student enrollment as provided in Section 53A-17a-139.

(4) If local contributions from the minimum basic tax rate imposed under Section 53A-17a-135 are overestimated, the board shall reduce the value of the weighted pupil unit for all programs within the basic state-supported school program so the total state contribution to the basic state-supported school program does not exceed the amount of state funds appropriated.

(5) If local contributions from the minimum basic tax rate imposed under Section 53A-17a-135 are underestimated, the board shall:

(a) spend the excess local contributions for the purposes specified in Subsection (3), giving priority to supporting the value of the weighted pupil unit in programs within the basic state-supported school program in which the number of weighted pupil units is underestimated;

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and

(b) reduce the state contribution to the basic state-supported school program so the total cost of the basic state-supported school program does not exceed the total state and local funds appropriated to the basic state-supported school program plus the local contributions necessary to support the value of the weighted pupil unit in programs within the basic state-supported school program in which the number of weighted pupil units is underestimated.

(6) Except as provided in Subsection (3) or (5), the board shall reduce the guarantee per weighted pupil unit provided under the voted local levy program established in Section 53A-17a-133 or board local levy program established in Section 53A-17a-164, if:

(a) local contributions to the voted local levy program or board local levy program are overestimated; or

(b) the number of weighted pupil units within school districts qualifying for a guarantee is underestimated.

(7) (a) The board may use program funds as described in Subsection (7)(b) if:

(i) the state loses flexibility due to the U.S. Department of Education's rejection of the state's renewal application for flexibility under the ESEA; and

(ii) the state is required to fully implement the requirements of Title I of the ESEA, as amended by the No Child Left Behind Act of 2001.

(b) Subject to the requirements of Subsections (7)(a) and (c), for fiscal year 2016, after any transfers or adjustments described in Subsections (2) through (6) are made, the board may use up to \$15,000,000 of excess money appropriated to a program, remaining at the end of fiscal year 2015, to mitigate a budgetary impact to an LEA due to the LEA's loss of flexibility related to implementing the requirements of Title I of the ESEA, as amended by the No Child Left Behind Act of 2001.

(c) In addition to the reporting requirement described in Subsection (9), the board shall report actions taken by the board under this Subsection (7) to the Executive Appropriations Committee.

(8) Money appropriated to the board is nonlapsing.

(9) The board shall report actions taken by the board under this section to the Office of the Legislative Fiscal Analyst and the Governor's Office of Management and Budget.

Section 5. Section 53A-17a-164 is amended to read:

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53A-17a-164. Board local levy -- State guarantee.

(1) Subject to the other requirements of this section, for a calendar year beginning on or after January 1, 2012, a local school board may levy a tax to fund the school district's general fund.

(2) ~~[(a)]~~ (a) For purposes of this Subsection (2), "combined rate" means the sum of:

(i) the rate imposed by a local school board under Subsection (1); and

(ii) the charter school levy rate, described in Section 53A-1a-513.1, for the local school board's school district.

~~[(a)]~~ (b) Except as provided in Subsection ~~[(2)(b), a tax rate imposed by a school district pursuant to this section]~~ (2)(c), beginning on January 1, 2017, a school district's combined rate may not exceed .0018 per dollar of taxable value in any calendar year.

~~[(b) A tax rate imposed by a school district pursuant to this section]~~

(c) Beginning on January 1, 2017, a school ~~{district pursuant to this section}~~ district's combined rate may not exceed .0025 per dollar of taxable value in any calendar year if, during the calendar year beginning on January 1, 2011, the school district's ~~[combined]~~ total tax rate for the following levies was greater than .0018 per dollar of taxable value:

(i) a recreation levy imposed under Section 11-2-7;

(ii) a transportation levy imposed under Section 53A-17a-127;

(iii) a board-authorized levy imposed under Section 53A-17a-134;

(iv) an impact aid levy imposed under Section 53A-17a-143;

(v) the portion of a 10% of basic levy imposed under Section 53A-17a-145 that is budgeted for purposes other than capital outlay or debt service;

(vi) a reading levy imposed under Section 53A-17a-151; and

(vii) a tort liability levy imposed under Section 63G-7-704.

(3) (a) In addition to the revenue a school district collects from the imposition of a levy pursuant to this section, the state shall contribute an amount sufficient to guarantee that each .0001 of the first .0004 per dollar of taxable value generates an amount equal to the state guarantee per weighted pupil unit described in Subsection 53A-17a-133(4).

(b) (i) The amount of state guarantee money to which a school district would otherwise be entitled to under this Subsection (3) may not be reduced for the sole reason that the district's levy is reduced as a consequence of changes in the certified tax rate under Section 59-2-924

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pursuant to changes in property valuation.

(ii) Subsection (3)(b)(i) applies for a period of five years following any changes in the certified tax rate.

(4) A school district that imposes a board local levy in the calendar year beginning on January 1, 2012, is exempt from the public notice and hearing requirements of Section 59-2-919 if the school district budgets an amount of ad valorem property tax revenue equal to or less than the sum of the following amounts:

(a) the amount of revenue generated during the calendar year beginning on January 1, 2011, from the sum of the following levies of a school district:

- (i) a recreation levy imposed under Section 11-2-7;
 - (ii) a transportation levy imposed under Section 53A-17a-127;
 - (iii) a board-authorized levy imposed under Section 53A-17a-134;
 - (iv) an impact aid levy imposed under Section 53A-17a-143;
 - (v) the portion of a 10% of basic levy imposed under Section 53A-17a-145 that is budgeted for purposes other than capital outlay or debt service;
 - (vi) a reading levy imposed under Section 53A-17a-151; and
 - (vii) a tort liability levy imposed under Section 63G-7-704; and
- (b) revenue from new growth as defined in Subsection 59-2-924(4)(c).

(5) (a) For the calendar year beginning on January 1, 2017, and ending on December 31, 2017, the State Tax Commission shall decrease a board local levy rate imposed by a local school board under this section by the amount necessary to offset the increase in revenues from the charter school levy imposed under Section 53A-1a-513.1.

(b) A local school board is not required to comply with the notice and public hearing requirements of Section 59-2-919 for an offset described in Subsection (5)(a) to the increase in revenues from the charter school levy imposed under Section 53A-1a-513.1.

(c) A local school board may not increase a board local levy rate under this section before December 31, 2016, if the local school board did not give public notice on or before March 4, 2016, of the local school board's intent to increase the board local levy rate.

(d) A local school board may not increase a board local levy rate under this section if the sole purpose of increasing the board local levy rate is to recapture revenue lost from the decrease in a board local levy rate under Subsection (5)(a).

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Section ~~{2}~~6. Section ~~{53A-19-102}~~631-2-253 is amended to read:

~~{53A-19-102. Local school board budget procedures:~~

~~—— (1) (a) Prior to June 22 of each year, a local school board shall adopt a budget and make appropriations for the next fiscal year.~~

~~—— (b) If the tax rate in the proposed budget exceeds the certified tax rate defined in Section 59-2-924, the local school board shall comply with Section 59-2-919 in adopting the budget, except as provided by Section 53A-17a-133.~~

~~—— (2) (a) Prior to the adoption or amendment of a budget, a local school board shall hold a public hearing, as defined in Section 10-9a-103, on the proposed budget or budget amendment.~~

~~—— (b) In addition to complying with Title 52, Chapter 4, Open and Public Meetings Act, in regards to the public hearing described in Subsection (2)(a), at least 10 days prior to the public hearing, a local school board shall:~~

~~—— (i) publish a notice of the public hearing in a newspaper or combination of newspapers of general circulation in the school district, except as provided in Section 45-1-101;~~

~~—— (ii) publish a notice of the public hearing electronically in accordance with Section 45-1-101;~~

~~—— (iii) file a copy of the proposed budget with the local school board's business administrator for public inspection; and~~

~~—— (iv) post the proposed budget on the school district's Internet website.~~

~~—— (c) A notice of a public hearing on a school district's proposed budget shall include information on how the public may access the proposed budget as provided in Subsections (2)(b)(iii) and (2)(b)(iv).~~

~~—— (d) At the public hearing described in Subsection (2)(a), the local school board shall verbally state the percentage of all property tax revenue levied by the local school board that funds the local school board's contribution to charter schools.~~

~~—— (3) A local school board shall file a copy of the adopted budget with the state auditor and the State Board of Education.~~

~~—— Section 3. Section 59-2-919.1 is amended to read:~~

~~—— 59-2-919.1. Notice of property valuation and tax changes.~~

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~~—— (1) In addition to the notice requirements of Section 59-2-919, the county auditor, on or before July 22 of each year, shall notify, by mail, each owner of real estate as defined in Section 59-2-102 who is listed on the assessment roll.~~

~~—— (2) The notice described in Subsection (1) shall:~~

~~—— (a) be sent to all owners of real property by mail 10 or more days before the day on which:~~

~~—— (i) the county board of equalization meets; and~~

~~—— (ii) the taxing entity holds a public hearing on the proposed increase in the certified tax rate;~~

~~—— (b) be printed on a form that is:~~

~~—— (i) approved by the commission; and~~

~~—— (ii) uniform in content in all counties in the state; and~~

~~—— (c) contain for each property:~~

~~—— (i) the assessor's determination of the value of the property;~~

~~—— (ii) the date the county board of equalization will meet to hear complaints on the valuation;~~

~~—— (iii) itemized tax information for all applicable taxing entities, including:~~

~~—— (A) the dollar amount of the taxpayer's tax liability for the property in the prior year; and~~

~~—— (B) the dollar amount of the taxpayer's tax liability under the current rate;~~

~~—— (iv) the tax impact on the property;~~

~~—— (v) the time and place of the required public hearing for each entity;~~

~~—— (vi) property tax information pertaining to:~~

~~—— (A) taxpayer relief;~~

~~—— (B) options for payment of taxes; and~~

~~—— (C) collection procedures;~~

~~—— (vii) information specifically authorized to be included on the notice under this chapter;~~

~~—— (viii) the last property review date of the property as described in Subsection 59-2-303.1(1)(c); and~~

~~—— (ix) other property tax information approved by the commission.~~

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~~———— (3) If a taxing entity that is subject to the notice and hearing requirements of Subsection 59-2-919(4) proposes a tax increase, the notice described in Subsection (1) shall state, in addition to the information required by Subsection (2):~~

~~———— (a) the dollar amount of the taxpayer's tax liability if the proposed increase is approved;~~

~~———— (b) the difference between the dollar amount of the taxpayer's tax liability if the proposed increase is approved and the dollar amount of the taxpayer's tax liability under the current rate, placed in close proximity to the information described in Subsection (2)(c)(v); and~~

~~———— (c) the percentage increase that the dollar amount of the taxpayer's tax liability under the proposed tax rate represents as compared to the dollar amount of the taxpayer's tax liability under the current tax rate.~~

~~———— (4) (a) As used in this Subsection (4):~~

~~———— (i) "Number of enrolled charter students" means the number of resident students of the school district in which a taxpayer resides who are enrolled in charter schools on the previous October 1.~~

~~———— (ii) "Previous school year" means the most recent school year completed prior to the date that the notice is issued.~~

~~———— (iii) "Resident student" means a student who, under 63I-2-253. Repeal dates -- Titles 53, 53A, and 53B.~~

~~(1) Section 53A-1-403.5 is repealed July 1, 2017.~~

~~(2) Subsection 53A-1-410(5) is repealed July 1, 2015.~~

~~(3) Section 53A-1-411 is repealed July 1, 2017.~~

~~(4) Subsection 53A-1a-513(4) is repealed July 1, 2017.~~

~~[(4)] (5) Section 53A-1a-513.5 is repealed July 1, 2017.~~

~~[(5)] (6) Title 53A, Chapter {2} 1a, Part {2, District of Residency, is considered a resident of the school district in which a taxpayer who receives a notice described in Subsection (1) resides.~~

~~———— (iv) "Taxpayer's amount" means the amount of property taxes imposed on the taxpayer that represents revenue distributed to charter schools as provided in Section 53A-1a-513.~~

~~———— (v) "Taxpayer's percent" means the percentage of a taxpayer's property tax that~~

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~~represents revenue distributed to charter schools as provided in Section 53A-1a-513.~~

~~—— (b) The notice a county auditor is required to provide a taxpayer under Subsection (1) shall contain substantially the following language: "Approximately (taxpayer's amount) or (taxpayer's percent) of this amount will be distributed to charter schools for (number of enrolled charter students) students from (name of local school district in which the taxpayer resides) who attended a charter school in (previous school year)."~~

~~—— (c) For purposes of the statement required by Subsection (4)(b), a county auditor shall determine the taxpayer's amount and taxpayer's percent based on the previous year and in accordance with a formula established by the commission in rules adopted in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.~~

~~—— (d) By a date specified by the commission, the State Board of Education shall report to county auditors the estimated amount each school district shall contribute to charter schools as provided in Section 53A-1a-513.~~

~~—— Section 4. Section 59-2-1317 is amended to read:~~

~~—— **59-2-1317. Tax notice -- Contents of notice -- Procedures and requirements for providing notice:**~~

~~—— (1) Subject to the other provisions of this section, the county treasurer shall:~~

~~—— (a) collect the taxes, and~~

~~—— (b) provide a notice to each taxpayer that contains the following:~~

~~—— (i) the kind and value of property assessed to the taxpayer;~~

~~—— (ii) the street address of the property, if available to the county;~~

~~—— (iii) that the property may be subject to a detailed review in the next year under Section 59-2-303.1;~~

~~—— (iv) the amount of taxes levied;~~

~~—— (v) a separate statement of the taxes levied only on a certain kind or class of property for a special purpose;~~

~~—— (vi) property tax information pertaining to taxpayer relief, options for payment of taxes, and collection procedures;~~

~~—— (vii) if applicable, the amount of an assessment assessed in accordance with Section 11-42-401;~~

~~—— (viii) if applicable, an unpaid fee, administrative cost, or interest for a local district in~~

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~~accordance with Section 17B-1-902;~~

~~—— (ix) the date the taxes are due;~~

~~—— (x) the street address at which the taxes may be paid;~~

~~—— (xi) the date on which the taxes are delinquent;~~

~~—— (xii) the penalty imposed on delinquent taxes;~~

~~—— (xiii) other information specifically authorized to be included on the notice under this chapter; and~~

~~—— (xiv) other property tax information approved by the commission.~~

~~—— (2) For any property for which property taxes are delinquent, the notice described in Subsection (1) shall state, "Prior taxes are delinquent on this parcel."~~

~~—— (3) Except as provided in Subsection (4), the county treasurer shall:~~

~~—— (a) mail the notice required by this section, postage prepaid; or~~

~~—— (b) leave the notice required by this section at the taxpayer's residence or usual place of business, if known.~~

~~—— (4) (a) Subject to the other provisions of this Subsection (4), a county treasurer may, at the county treasurer's discretion, provide the notice required by this section by electronic mail if a taxpayer makes an election, according to procedures determined by the county treasurer, to receive the notice by electronic mail.~~

~~—— (b) A taxpayer may revoke an election to receive the notice required by this section by electronic mail if the taxpayer provides written notice to the treasurer on or before October 1.~~

~~—— (c) A revocation of an election under this section does not relieve a taxpayer of the duty to pay a tax due under this chapter on or before the due date for paying the tax.~~

~~—— (d) A county treasurer shall provide the notice required by this section using a method described in Subsection (3), until a taxpayer makes a new election in accordance with this Subsection (4), if:~~

~~—— (i) the taxpayer revokes an election in accordance with Subsection (4)(b) to receive the notice required by this section by electronic mail; or~~

~~—— (ii) the county treasurer finds that the taxpayer's electronic mail address is invalid.~~

~~—— (e) A person is considered to be a taxpayer for purposes of this Subsection (4) regardless of whether the property that is the subject of the notice required by this section is exempt from taxation.~~

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~~—— (5) (a) The county treasurer shall provide the notice required by this section to a taxpayer on or before November 1.~~

~~—— (b) The county treasurer shall keep on file in the county treasurer's office the information set forth in the notice.~~

~~—— (c) The county treasurer is not required to mail a tax receipt acknowledging payment.~~

~~—— (6) (a) As used in this Subsection (6):~~

~~—— (i) "Number of enrolled charter students" means the number of resident students of the school district in which a taxpayer resides who are enrolled in charter schools on the previous October 1.~~

~~—— (ii) "Previous school year" means the most recent school year completed prior to the date that the notice is issued.~~

~~—— (iii) "Resident student" means a student who, under }10, UPSTART, is repealed July 1, 2019.~~

~~[(6)1(7)] Title 53A, Chapter {2}8a, Part {2, District of Residency, is considered a resident of the school district in which a taxpayer who receives a notice described in Subsection (1) resides.~~

~~—— (iv) "Taxpayer's amount" means the amount of property taxes imposed on the taxpayer that represents revenue distributed to charter schools as provided in Section 53A-1a-513.~~

~~—— (v) "Taxpayer's percent" means the percentage of a taxpayer's property tax that represents revenue distributed to charter schools as provided in Section 53A-1a-513.~~

~~—— (b) The notice a county treasurer is required to provide a taxpayer under Subsection (1) shall contain substantially the following language: "Approximately (taxpayer's amount) or (taxpayer's percent) of this amount will be distributed to charter schools for (number of enrolled charter students) students from (name of local school district in which the taxpayer resides) who attended a charter school in (previous school year)."~~

~~—— (c) For purposes of the statement required by Subsection (6)(b), a county treasurer shall determine the taxpayer's amount and taxpayer's percent based on the previous year and in accordance with a formula established by the commission in rules adopted in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.~~

~~—— (d) By a date specified by the commission, the State Board of Education shall report to county treasurers the estimated amount each school district shall contribute to charter schools~~

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as provided in Section 53A-1a-513.

~~— [(6)] (7) This section does not apply to property taxed under Section 59-2-1302 or 59-2-1307.~~

~~— Section 5}8, Peer Assistance and Review Pilot Program, is repealed July 1, 2017.~~

Section 7. Effective date.

~~{(1) Except as provided in Subsection (2), this} This bill takes effect on July 1, 2016.†~~

~~— (2) The actions affecting Sections 59-2-919.1 and 59-2-1317 take effect on January 1, 2017.‡~~