

Senator Lincoln Fillmore proposes the following substitute bill:

FUNDING FOR EDUCATION SYSTEMS AMENDMENTS

2017 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Howard A. Stephenson

House Sponsor: Bradley G. Last

LONG TITLE

General Description:

This bill amends and enacts provisions related to education funding.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ directs the Legislature to annually appropriate money to increase the number of guaranteed local levy increments;
- ▶ directs the State Board of Education to use the appropriation to increase:
 - the number of guaranteed local levy increments, giving first priority to guarantee board local levy increments and second priority to guarantee voted local levy increments; and
 - the guaranteed amount for each local levy increment per weighted pupil unit after increasing the number of guaranteed local levy increments;
- ▶ directs a local school board to use funds received from the state local levy guarantee for a public education purpose;
- ▶ recodifies and enacts language governing:
 - a voted local levy;
 - the use of guaranteed local levy increments; and



- 26 • a board local levy;
- 27 ▶ amends for a five-year period the calculation of the school minimum basic tax rate;
- 28 ▶ exempts in certain circumstances the school minimum basic tax rate from certain
- 29 public notice requirements;
- 30 ▶ establishes the Local Levy Growth Account;
- 31 ▶ provides a repeal date; and
- 32 ▶ makes technical and conforming changes.

33 **Money Appropriated in this Bill:**

34 None

35 **Other Special Clauses:**

36 This bill provides a special effective date.

37 This bill provides revisor instructions.

38 **Utah Code Sections Affected:**

39 AMENDS:

- 40 **11-13-302**, as last amended by Laws of Utah 2015, Chapter 287
- 41 **11-13-310**, as last amended by Laws of Utah 2003, Chapter 21
- 42 **53A-1a-513**, as last amended by Laws of Utah 2016, Chapter 229
- 43 **53A-2-118.4**, as last amended by Laws of Utah 2015, Chapter 428
- 44 **53A-2-206**, as last amended by Laws of Utah 2012, Chapter 398
- 45 **53A-17a-103**, as last amended by Laws of Utah 2016, Chapter 367
- 46 **53A-17a-105**, as last amended by Laws of Utah 2016, Chapter 229
- 47 **53A-17a-133**, as last amended by Laws of Utah 2016, Chapters 2, 350, and 367
- 48 **53A-17a-134**, as last amended by Laws of Utah 2013, Chapter 178
- 49 **53A-17a-135**, as last amended by Laws of Utah 2016, Chapter 2
- 50 **53A-17a-135.1**, as enacted by Laws of Utah 2015, Chapter 287
- 51 **53A-17a-136**, as last amended by Laws of Utah 2011, Chapter 371
- 52 **53A-17a-143**, as last amended by Laws of Utah 2011, Chapter 371
- 53 **53A-17a-146**, as last amended by Laws of Utah 2011, Chapters 371 and 381
- 54 **53A-17a-164**, as last amended by Laws of Utah 2016, Chapters 229, 350, and 367
- 55 **53A-19-102**, as last amended by Laws of Utah 2016, Chapter 363
- 56 **59-2-102**, as last amended by Laws of Utah 2016, Chapters 98, 308, 367, and 368

57 **63I-2-211**, as enacted by Laws of Utah 2015, Chapter 250
 58 **63I-2-253**, as last amended by Laws of Utah 2016, Chapters 128, 229, 236, 271, and
 59 318
 60 **63I-2-259**, as last amended by Laws of Utah 2015, Chapter 139

61 ENACTS:

62 **53A-17a-133.5**, Utah Code Annotated 1953
 63 **53A-17a-135.5**, Utah Code Annotated 1953
 64 **53A-17a-135.6**, Utah Code Annotated 1953

65 **Utah Code Sections Affected by Revisor Instructions:**

66 **63I-2-253**, as last amended by Laws of Utah 2016, Chapters 128, 229, 236, 271, and
 67 318



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

70 Section 1. Section **11-13-302** is amended to read:

71 **11-13-302. Payment of fee in lieu of ad valorem property tax by certain energy**
 72 **suppliers -- Method of calculating -- Collection -- Extent of tax lien.**

73 (1) (a) Each project entity created under this chapter that owns a project and that sells
 74 any capacity, service, or other benefit from it to an energy supplier or suppliers whose tangible
 75 property is not exempted by Utah Constitution Article XIII, Section 3, from the payment of ad
 76 valorem property tax, shall pay an annual fee in lieu of ad valorem property tax as provided in
 77 this section to each taxing jurisdiction within which the project or any part of it is located.

78 (b) For purposes of this section, "annual fee" means the annual fee described in
 79 Subsection (1)(a) that is in lieu of ad valorem property tax.

80 (c) The requirement to pay an annual fee shall commence:

81 (i) with respect to each taxing jurisdiction that is a candidate receiving the benefit of
 82 impact alleviation payments under contracts or determination orders provided for in Sections
 83 **11-13-305** and **11-13-306**, with the fiscal year of the candidate following the fiscal year of the
 84 candidate in which the date of commercial operation of the last generating unit, other than any
 85 generating unit providing additional project capacity, of the project occurs, or, in the case of
 86 any facilities providing additional project capacity, with the fiscal year of the candidate
 87 following the fiscal year of the candidate in which the date of commercial operation of the

88 generating unit providing the additional project capacity occurs; and

89 (ii) with respect to any taxing jurisdiction other than a taxing jurisdiction described in
90 Subsection (1)(c)(i), with the fiscal year of the taxing jurisdiction in which construction of the
91 project commences, or, in the case of facilities providing additional project capacity, with the
92 fiscal year of the taxing jurisdiction in which construction of those facilities commences.

93 (d) The requirement to pay an annual fee shall continue for the period of the useful life
94 of the project or facilities.

95 (2) (a) The annual fees due a school district shall be as provided in Subsection (2)(b)
96 because the ad valorem property tax imposed by a school district and authorized by the
97 Legislature represents both:

98 (i) a levy mandated by the state for the state minimum school program under Section
99 [53A-17a-135](#) or [53A-17a-135.5](#), as applicable; and

100 (ii) local levies for capital outlay and other purposes under Sections [53A-16-113](#),
101 [53A-17a-133](#), and [53A-17a-164](#).

102 (b) The annual fees due a school district shall be as follows:

103 (i) the project entity shall pay to the school district an annual fee for the state minimum
104 school program at the rate imposed by the school district and authorized by the Legislature
105 under Section [53A-17a-135](#) or [53A-17a-135.5](#), as applicable; and

106 (ii) for all other local property tax levies authorized to be imposed by a school district,
107 the project entity shall pay to the school district either:

108 (A) an annual fee; or

109 (B) impact alleviation payments under contracts or determination orders provided for
110 in Sections [11-13-305](#) and [11-13-306](#).

111 (3) (a) An annual fee due a taxing jurisdiction for a particular year shall be calculated
112 by multiplying the tax rate or rates of the jurisdiction for that year by the product obtained by
113 multiplying the fee base or value determined in accordance with Subsection (4) for that year of
114 the portion of the project located within the jurisdiction by the percentage of the project which
115 is used to produce the capacity, service, or other benefit sold to the energy supplier or suppliers.

116 (b) As used in this section, "tax rate," when applied in respect to a school district,
117 includes any assessment to be made by the school district under Subsection (2) or Section
118 [63M-5-302](#).

119 (c) There is to be credited against the annual fee due a taxing jurisdiction for each year,
120 an amount equal to the debt service, if any, payable in that year by the project entity on bonds,
121 the proceeds of which were used to provide public facilities and services for impact alleviation
122 in the taxing jurisdiction in accordance with Sections 11-13-305 and 11-13-306.

123 (d) The tax rate for the taxing jurisdiction for that year shall be computed so as to:

124 (i) take into account the fee base or value of the percentage of the project located
125 within the taxing jurisdiction determined in accordance with Subsection (4) used to produce the
126 capacity, service, or other benefit sold to the supplier or suppliers; and

127 (ii) reflect any credit to be given in that year.

128 (4) (a) Except as otherwise provided in this section, the annual fees required by this
129 section shall be paid, collected, and distributed to the taxing jurisdiction as if:

130 (i) the annual fees were ad valorem property taxes; and

131 (ii) the project were assessed at the same rate and upon the same measure of value as
132 taxable property in the state.

133 (b) (i) Notwithstanding Subsection (4)(a), for purposes of an annual fee required by
134 this section, the fee base of a project may be determined in accordance with an agreement
135 among:

136 (A) the project entity; and

137 (B) any county that:

138 (I) is due an annual fee from the project entity; and

139 (II) agrees to have the fee base of the project determined in accordance with the
140 agreement described in this Subsection (4).

141 (ii) The agreement described in Subsection (4)(b)(i):

142 (A) shall specify each year for which the fee base determined by the agreement shall be
143 used for purposes of an annual fee; and

144 (B) may not modify any provision of this chapter except the method by which the fee
145 base of a project is determined for purposes of an annual fee.

146 (iii) For purposes of an annual fee imposed by a taxing jurisdiction within a county
147 described in Subsection (4)(b)(i)(B), the fee base determined by the agreement described in
148 Subsection (4)(b)(i) shall be used for purposes of an annual fee imposed by that taxing
149 jurisdiction.

150 (iv) (A) If there is not agreement as to the fee base of a portion of a project for any
151 year, for purposes of an annual fee, the State Tax Commission shall determine the value of that
152 portion of the project for which there is not an agreement:

153 (I) for that year; and

154 (II) using the same measure of value as is used for taxable property in the state.

155 (B) The valuation required by Subsection (4)(b)(iv)(A) shall be made by the State Tax
156 Commission in accordance with rules made by the State Tax Commission.

157 (c) Payments of the annual fees shall be made from:

158 (i) the proceeds of bonds issued for the project; and

159 (ii) revenues derived by the project entity from the project.

160 (d) (i) The contracts of the project entity with the purchasers of the capacity, service, or
161 other benefits of the project whose tangible property is not exempted by Utah Constitution
162 Article XIII, Section 3, from the payment of ad valorem property tax shall require each
163 purchaser, whether or not located in the state, to pay, to the extent not otherwise provided for,
164 its share, determined in accordance with the terms of the contract, of these fees.

165 (ii) It is the responsibility of the project entity to enforce the obligations of the
166 purchasers.

167 (5) (a) The responsibility of the project entity to make payment of the annual fees is
168 limited to the extent that there is legally available to the project entity, from bond proceeds or
169 revenues, money to make these payments, and the obligation to make payments of the annual
170 fees is not otherwise a general obligation or liability of the project entity.

171 (b) No tax lien may attach upon any property or money of the project entity by virtue of
172 any failure to pay all or any part of an annual fee.

173 (c) The project entity or any purchaser may contest the validity of an annual fee to the
174 same extent as if the payment was a payment of the ad valorem property tax itself.

175 (d) The payments of an annual fee shall be reduced to the extent that any contest is
176 successful.

177 (6) (a) The annual fee described in Subsection (1):

178 (i) shall be paid by a public agency that:

179 (A) is not a project entity; and

180 (B) owns an interest in a facility providing additional project capacity if the interest is

181 otherwise exempt from taxation pursuant to Utah Constitution, Article XIII, Section 3; and

182 (ii) for a public agency described in Subsection (6)(a)(i), shall be calculated in
183 accordance with Subsection (6)(b).

184 (b) The annual fee required under Subsection (6)(a) shall be an amount equal to the tax
185 rate or rates of the applicable taxing jurisdiction multiplied by the product of the following:

186 (i) the fee base or value of the facility providing additional project capacity located
187 within the jurisdiction;

188 (ii) the percentage of the ownership interest of the public agency in the facility; and

189 (iii) the portion, expressed as a percentage, of the public agency's ownership interest
190 that is attributable to the capacity, service, or other benefit from the facility that is sold by the
191 public agency to an energy supplier or suppliers whose tangible property is not exempted by
192 Utah Constitution, Article XIII, Section 3, from the payment of ad valorem property tax.

193 (c) A public agency paying the annual fee pursuant to Subsection (6)(a) shall have the
194 obligations, credits, rights, and protections set forth in Subsections (1) through (5) with respect
195 to its ownership interest as though it were a project entity.

196 Section 2. Section 11-13-310 is amended to read:

197 **11-13-310. Termination of impact alleviation contract.**

198 If the project or any part of it or the facilities providing additional project capacity or
199 any part of them, or the output from the project or facilities providing additional project
200 capacity become subject, in addition to the requirements of Section 11-13-302, to ad valorem
201 property taxation or other payments in lieu of ad valorem property taxation, or other form of
202 tax equivalent payments to any candidate which is a party to an impact alleviation contract with
203 respect to the project or facilities providing additional project capacity or is receiving impact
204 alleviation payments or means with respect to the project or facilities providing additional
205 project capacity pursuant to a determination by the board, then the impact alleviation contract
206 or the requirement to make impact alleviation payments or provide means therefor pursuant to
207 the determination, as the case may be, shall, at the election of the candidate, terminate. In any
208 event, each impact alleviation contract or determination order shall terminate upon the project,
209 or, in the case of facilities providing additional project capacity, those facilities becoming
210 subject to the provisions of Section 11-13-302, except that no impact alleviation contract or
211 agreement entered by a school district shall terminate because of in lieu ad valorem property

212 tax fees levied under Subsection 11-13-302(2)(b)(i) or because of ad valorem property taxes
213 levied under Section 53A-17a-135 or 53A-17a-135.5, as applicable, for the state minimum
214 school program. In addition, if the construction of the project, or, in the case of facilities
215 providing additional project capacity, of those facilities, is permanently terminated for any
216 reason, each impact alleviation contract and determination order, and the payments and means
217 required thereunder, shall terminate. No termination of an impact alleviation contract or
218 determination order may terminate or reduce any liability previously incurred pursuant to the
219 contract or determination order by the candidate beneficiary under it. If the provisions of
220 Section 11-13-302, or its successor, are held invalid by a court of competent jurisdiction, and
221 no ad valorem taxes or other form of tax equivalent payments are payable, the remaining
222 provisions of this chapter shall continue in operation without regard to the commencement of
223 commercial operation of the last generating unit of that project or of facilities providing
224 additional project capacity.

225 Section 3. Section 53A-1a-513 is amended to read:

226 **53A-1a-513. Funding for charter schools.**

227 (1) As used in this section:

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

229 ~~[(e)]~~ (b) "Charter school levy per pupil revenues" means the same as that term is
230 defined in Section 53A-1a-513.1.

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

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

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

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

239 (d) "District local property tax revenues" means the sum of a school district's revenue
240 received from the following:

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

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

243 expended for:

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

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

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

249 (iv) a guarantee described in Section [~~53A-17a-133~~, ~~53A-17a-164~~] [53A-17a-133.5](#),
250 [53A-21-202](#), or [53A-21-302](#).

251 (e) "District per pupil local revenues" means, using data from the most recently
252 published school district annual financial reports and state superintendent's annual report, an
253 amount equal to district local property tax revenues divided by the sum of:

254 (i) a school district's average daily membership; and

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

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

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

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

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

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

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

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

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

274 Program shall be:

275 (i) based on the higher of:

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

277 (B) average daily membership in the prior school year plus growth as determined under

278 Section 53A-17a-106; and

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

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

282 (i) .55 for kindergarten pupils;

283 (ii) .9 for pupils in grades 1 through 6;

284 (iii) .99 for pupils in grades 7 through 8; and

285 (iv) 1.2 for pupils in grades 9 through 12.

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

290 (A) described in Subsection (1)(d)(iv) collected by the district; and

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

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

295 (b) The State Board of Education shall:

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

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

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

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

304 (ii) the revenue sources listed in Subsection (1)(d) based on the portion of the

305 allocations to charter schools attributed to each of the revenue sources listed in Subsection
306 (1)(d).

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

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

312 (A) charter school students' average local revenues minus the allocation of school
313 district revenues under Subsection (4)(a); and

314 (B) statewide average debt service revenues.

315 (iii) If the total of a school district's allocation for a charter school student under
316 Subsection (4)(a) and the amount provided by the state under Subsection (4)(d)(ii) is less than
317 \$1427, the state shall provide an additional supplement so that a charter school receives at least
318 \$1427 per student under this Subsection (4).

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

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

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

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

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

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

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

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

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

340 (B) statewide average debt service revenues.

341 (iii) If the total of charter school levy per pupil revenues and the amount provided by
342 the state under Subsection (5)(b)(ii) is less than \$1,427, the state shall provide an additional
343 supplement so that a charter school receives at least \$1,427 per student under this Subsection
344 (5).

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

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

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

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

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

356 (6) Charter schools are eligible to receive federal funds if they meet all applicable
357 federal requirements and comply with relevant federal regulations.

358 (7) The State Board of Education shall distribute funds for charter school students
359 directly to the charter school.

360 (8) (a) Notwithstanding Subsection (3), a charter school is not eligible to receive state
361 transportation funding.

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

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

366 (9) (a) (i) In accordance with Section 53A-1a-513.5, the State Charter School Board

367 may allocate grants for start-up costs to charter schools from money appropriated for charter
368 school start-up costs.

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

372 (b) The State Board of Education shall coordinate the distribution of federal money
373 appropriated to help fund costs for establishing and maintaining charter schools within the
374 state.

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

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

382 Section 4. Section [53A-2-118.4](#) is amended to read:

383 **53A-2-118.4. Property tax levies in new district and remaining district --**
384 **Distribution of property tax revenue.**

385 (1) As used in this section:

386 (a) "Divided school district" or "existing district" means a school district from which a
387 new district is created.

388 (b) "New district" means a school district created under Section [53A-2-118.1](#) after May
389 10, 2011.

390 (c) "Property tax levy" means a property tax levy that a school district is authorized to
391 impose, except:

392 (i) the minimum basic rate imposed under Section [53A-17a-135](#) or [53A-17a-135.5](#), as
393 applicable;

394 (ii) a debt service levy imposed under Section [11-14-310](#); or

395 (iii) a judgment levy imposed under Section [59-2-1330](#).

396 (d) "Qualifying taxable year" means the calendar year in which a new district begins to
397 provide educational services.

398 (e) "Remaining district" means an existing district after the creation of a new district.

399 (2) A new district and remaining district shall continue to impose property tax levies
400 that were imposed by the divided school district in the taxable year prior to the qualifying
401 taxable year.

402 (3) Except as provided in Subsection (6), a property tax levy that a new district and
403 remaining district are required to impose under Subsection (2) shall be set at a rate that:

404 (a) is uniform in the new district and remaining district; and

405 (b) generates the same amount of revenue that was generated by the property tax levy
406 within the divided school district in the taxable year prior to the qualifying taxable year.

407 (4) (a) Except as provided in Subsection (4)(b), the county treasurer of the county in
408 which a property tax levy is imposed under Subsection (2) shall distribute revenues generated
409 by the property tax levy to the new district and remaining district in proportion to the
410 percentage of the divided school district's enrollment on the October 1 prior to the new district
411 commencing educational services that were enrolled in schools currently located in the new
412 district or remaining district.

413 (b) The county treasurer of a county of the first class shall distribute revenues
414 generated by a capital local levy of .0006 that a school district in a county of the first class is
415 required to impose under Section 53A-16-113 in accordance with the distribution method
416 specified in Section 53A-16-114.

417 (5) On or before March 31, a county treasurer shall distribute revenues generated by a
418 property tax levy imposed under Subsection (2) in the prior calendar year to a new district and
419 remaining district as provided in Subsection (4).

420 (6) (a) Subject to the notice and public hearing requirements of Section 59-2-919, a
421 new district or remaining district may set a property tax rate higher than the rate required by
422 Subsection (3), up to:

423 (i) the maximum rate, if any, allowed by law; or

424 (ii) the maximum rate authorized by voters for a voted local levy under Section
425 53A-17a-133.

426 (b) The revenues generated by the portion of a property tax rate in excess of the rate
427 required by Subsection (3) shall be retained by the district that imposes the higher rate.

428 Section 5. Section 53A-2-206 is amended to read:

429 **53A-2-206. Interstate compact students -- Inclusion in attendance count --**
430 **Funding for foreign exchange students -- Annual report -- Requirements for exchange**
431 **student agencies.**

432 (1) A school district or charter school may include the following students in the
433 district's or school's membership and attendance count for the purpose of apportionment of
434 state money:

435 (a) a student enrolled under an interstate compact, established between the State Board
436 of Education and the state education authority of another state, under which a student from one
437 compact state would be permitted to enroll in a public school in the other compact state on the
438 same basis as a resident student of the receiving state; or

439 (b) a student receiving services under Title 62A, Chapter 4a, Part 7, Interstate Compact
440 on Placement of Children.

441 (2) (a) A school district or charter school may include foreign exchange students in the
442 district's or school's membership and attendance count for the purpose of apportionment of
443 state money, except as provided in Subsections (2)(b) through (d).

444 (b) (i) Notwithstanding Section [53A-17a-106](#), foreign exchange students may not be
445 included in average daily membership for the purpose of determining the number of weighted
446 pupil units in the grades 1-12 basic program.

447 (ii) Subject to the limitation in Subsection (2)(c), the number of weighted pupil units in
448 the grades 1-12 basic program attributed to foreign exchange students shall be equal to the
449 number of foreign exchange students who were:

450 (A) enrolled in a school district or charter school on October 1 of the previous fiscal
451 year; and

452 (B) sponsored by an agency approved by the district's local school board or charter
453 school's governing board.

454 (c) (i) The total number of foreign exchange students in the state that may be counted
455 for the purpose of apportioning state money under Subsection (2)(b) shall be the lesser of:

456 (A) the number of foreign exchange students enrolled in public schools in the state on
457 October 1 of the previous fiscal year; or

458 (B) 328 foreign exchange students.

459 (ii) The State Board of Education shall make rules in accordance with Title 63G,

460 Chapter 3, Utah Administrative Rulemaking Act, to administer the cap on the number of
461 foreign exchange students that may be counted for the purpose of apportioning state money
462 under Subsection (2)(b).

463 (d) Notwithstanding [~~Sections 53A-17a-133 and 53A-17a-164~~] Section
464 53A-17a-133.5, weighted pupil units in the grades 1 through 12 basic program for foreign
465 exchange students, as determined by Subsections (2)(b) and (c), may not be included for the
466 purposes of determining a school district's state guarantee money under the voted or board local
467 levies.

468 (3) A school district or charter school may:

469 (a) enroll foreign exchange students that do not qualify for state money; and

470 (b) pay for the costs of those students with other funds available to the school district
471 or charter school.

472 (4) Due to the benefits to all students of having the opportunity to become familiar
473 with individuals from diverse backgrounds and cultures, school districts are encouraged to
474 enroll foreign exchange students, as provided in Subsection (3), particularly in schools with
475 declining or stable enrollments where the incremental cost of enrolling the foreign exchange
476 student may be minimal.

477 (5) The board shall make an annual report to the Legislature on the number of
478 exchange students and the number of interstate compact students sent to or received from
479 public schools outside the state.

480 (6) (a) A local school board or charter school governing board shall require each
481 approved exchange student agency to provide it with a sworn affidavit of compliance prior to
482 the beginning of each school year.

483 (b) The affidavit shall include the following assurances:

484 (i) that the agency has complied with all applicable policies of the board;

485 (ii) that a household study, including a background check of all adult residents, has
486 been made of each household where an exchange student is to reside, and that the study was of
487 sufficient scope to provide reasonable assurance that the exchange student will receive proper
488 care and supervision in a safe environment;

489 (iii) that host parents have received training appropriate to their positions, including
490 information about enhanced criminal penalties under Subsection 76-5-406(10) for persons who

491 are in a position of special trust;

492 (iv) that a representative of the exchange student agency shall visit each student's place
493 of residence at least once each month during the student's stay in Utah;

494 (v) that the agency will cooperate with school and other public authorities to ensure
495 that no exchange student becomes an unreasonable burden upon the public schools or other
496 public agencies;

497 (vi) that each exchange student will be given in the exchange student's native language
498 names and telephone numbers of agency representatives and others who could be called at any
499 time if a serious problem occurs; and

500 (vii) that alternate placements are readily available so that no student is required to
501 remain in a household if conditions appear to exist which unreasonably endanger the student's
502 welfare.

503 (7) (a) A local school board or charter school governing board shall provide each
504 approved exchange student agency with a list of names and telephone numbers of individuals
505 not associated with the agency who could be called by an exchange student in the event of a
506 serious problem.

507 (b) The agency shall make a copy of the list available to each of its exchange students
508 in the exchange student's native language.

509 (8) Notwithstanding Subsection (2)(c)(i), a school district or charter school shall enroll
510 a foreign exchange student if the foreign exchange student:

511 (a) is sponsored by an agency approved by the State Board of Education;

512 (b) attends the same school during the same time period that another student from the
513 school is:

514 (i) sponsored by the same agency; and

515 (ii) enrolled in a school in a foreign country; and

516 (c) is enrolled in the school for one year or less.

517 Section 6. Section **53A-17a-103** is amended to read:

518 **53A-17a-103. Definitions.**

519 As used in this chapter:

520 (1) "Basic state-supported school program" or "basic program" means public education
521 programs for kindergarten, elementary, and secondary school students that are operated and

522 maintained for the amount derived by multiplying the number of weighted pupil units for each
523 school district or charter school by the value established each year in statute, except as
524 otherwise provided in this chapter.

525 (2) (a) "Certified revenue levy" means a property tax levy that provides an amount of
526 ad valorem property tax revenue equal to the sum of:

527 (i) the amount of ad valorem property tax revenue to be generated statewide in the
528 previous year from imposing a minimum basic tax rate, as specified in Section [53A-17a-135](#) or
529 [53A-17a-135.5](#), as applicable; and

530 (ii) the product of:

531 (A) eligible new growth, as defined in Section [59-2-924](#) and rules of the State Tax
532 Commission; and

533 (B) the minimum basic tax rate certified by the State Tax Commission for the previous
534 year.

535 (b) For purposes of this Subsection (2), "ad valorem property tax revenue" does not
536 include property tax revenue received statewide from personal property that is:

537 (i) assessed by a county assessor in accordance with Title 59, Chapter 2, Part 3, County
538 Assessment; and

539 (ii) semiconductor manufacturing equipment.

540 (c) For purposes of calculating the certified revenue levy described in this Subsection
541 (2), the State Tax Commission shall use:

542 (i) the taxable value of real property assessed by a county assessor contained on the
543 assessment roll;

544 (ii) the taxable value of real and personal property assessed by the State Tax
545 Commission; and

546 (iii) the taxable year end value of personal property assessed by a county assessor
547 contained on the prior year's assessment roll.

548 (3) "Pupil in average daily membership (ADM)" means a full-day equivalent pupil.

549 (4) (a) "State-supported minimum school program" or "Minimum School Program"
550 means public school programs for kindergarten, elementary, and secondary schools as
551 described in this Subsection (4).

552 (b) The minimum school program established in school districts and charter schools

553 shall include the equivalent of a school term of nine months as determined by the State Board
554 of Education.

555 (c) (i) The board shall establish the number of days or equivalent instructional hours
556 that school is held for an academic school year.

557 (ii) Education, enhanced by utilization of technologically enriched delivery systems,
558 when approved by local school boards or charter school governing boards, shall receive full
559 support by the State Board of Education as it pertains to fulfilling the attendance requirements,
560 excluding time spent viewing commercial advertising.

561 (d) (i) A local school board or charter school governing board may reallocate up to 32
562 instructional hours or four school days established under Subsection (4)(c) for teacher
563 preparation time or teacher professional development.

564 (ii) A reallocation of instructional hours or school days under Subsection (4)(d)(i) is
565 subject to the approval of two-thirds of the members of a local school board or charter school
566 governing board voting in a regularly scheduled meeting:

567 (A) at which a quorum of the local school board or charter school governing board is
568 present; and

569 (B) held in compliance with Title 52, Chapter 4, Open and Public Meetings Act.

570 (iii) If a local school board or charter school governing board reallocates instructional
571 hours or school days as provided by this Subsection (4)(d), the school district or charter school
572 shall notify students' parents and guardians of the school calendar at least 90 days before the
573 beginning of the school year.

574 (iv) Instructional hours or school days reallocated for teacher preparation time or
575 teacher professional development pursuant to this Subsection (4)(d) is considered part of a
576 school term referred to in Subsection (4)(b).

577 (e) The Minimum School Program includes a program or allocation funded by a line
578 item appropriation or other appropriation designated as follows:

579 (i) Basic School Program;

580 (ii) Related to Basic Programs;

581 (iii) Voted and Board Levy Programs; or

582 (iv) Minimum School Program.

583 (5) "Weighted pupil unit or units or WPU or WPU's" means the unit of measure of

584 factors that is computed in accordance with this chapter for the purpose of determining the
585 costs of a program on a uniform basis for each district.

586 Section 7. Section **53A-17a-105** is amended to read:

587 **53A-17a-105. Powers and duties of State Board of Education to adjust Minimum**
588 **School Program allocations -- Use of remaining funds at the end of a fiscal year.**

589 (1) For purposes of this section:

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

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

592 Sec. 6301 et seq.

593 (c) "LEA" means:

594 (i) a school district; or

595 (ii) a charter school.

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

598 (i) Basic Program;

599 (ii) Related to Basic Programs;

600 (iii) Voted and Board Levy Programs; or

601 (iv) Minimum School Program.

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

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

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

611 (b) to support the state guarantee per weighted pupil unit provided under the voted
612 local levy [~~program established in Section 53A-17a-133~~] or the board local levy [~~program~~
613 ~~established in Section 53A-17a-164,~~] in accordance with Section 53A-17a-133.5, if:

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

615 overestimated; or

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

618 (c) to support the state supplement to local property taxes allocated to charter schools,
619 if the state supplement is less than the amount prescribed by Section [53A-1a-513](#); or

620 (d) to support a school district with a loss in student enrollment as provided in Section
621 [53A-17a-139](#).

622 (4) If local contributions from the minimum basic tax rate imposed under Section
623 [53A-17a-135](#) or [53A-17a-135.5](#), as applicable, are overestimated, the board shall reduce the
624 value of the weighted pupil unit for all programs within the basic state-supported school
625 program so the total state contribution to the basic state-supported school program does not
626 exceed the amount of state funds appropriated.

627 (5) If local contributions from the minimum basic tax rate imposed under Section
628 [53A-17a-135](#) or [53A-17a-135.5](#), as applicable, are underestimated, the board shall:

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

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

638 (6) Except as provided in Subsection (3) or (5), the board shall reduce the guarantee
639 per weighted pupil unit as described in Section [53A-17a-133.5](#) provided under the voted local
640 levy program established in Section [53A-17a-133](#) or board local levy program established in
641 Section [53A-17a-164](#), if:

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

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

646 (7) (a) The board may use program funds as described in Subsection (7)(b) if:
647 (i) the state loses flexibility due to the U.S. Department of Education's rejection of the
648 state's renewal application for flexibility under the ESEA; and
649 (ii) the state is required to fully implement the requirements of Title I of the ESEA, as
650 amended by the No Child Left Behind Act of 2001.
651 (b) Subject to the requirements of Subsections (7)(a) and (c), for fiscal year 2016, after
652 any transfers or adjustments described in Subsections (2) through (6) are made, the board may
653 use up to \$15,000,000 of excess money appropriated to a program, remaining at the end of
654 fiscal year 2015, to mitigate a budgetary impact to an LEA due to the LEA's loss of flexibility
655 related to implementing the requirements of Title I of the ESEA, as amended by the No Child
656 Left Behind Act of 2001.
657 (c) In addition to the reporting requirement described in Subsection (9), the board shall
658 report actions taken by the board under this Subsection (7) to the Executive Appropriations
659 Committee.

660 (8) Money appropriated to the board is nonlapsing.
661 (9) The board shall report actions taken by the board under this section to the Office of
662 the Legislative Fiscal Analyst and the Governor's Office of Management and Budget.

663 Section 8. Section **53A-17a-133** is amended to read:
664 **53A-17a-133. Voted local levy -- Election requirements -- Reconsideration of the**
665 **program.**

666 [~~(1) As used in this section, "voted and board local levy funding balance" means the~~
667 ~~difference between:]~~

668 [~~(a) the amount appropriated for the voted and board local levy program in a fiscal~~
669 ~~year; and]~~

670 [~~(b) the amount necessary to provide the state guarantee per weighted pupil unit as~~
671 ~~determined under this section and Section [53A-17a-164](#) in the same fiscal year.]~~

672 [~~(2) An election to consider adoption or modification of a voted local levy is required if~~
673 ~~initiative petitions signed by 10% of the number of electors who voted at the last preceding~~
674 ~~general election are presented to the local school board or by action of the board.]~~

675 [~~(3) (a) (i) To impose a voted local levy, a majority of the electors of a district voting at~~
676 ~~an election in the manner set forth in Subsections (9) and (10) must vote in favor of a special~~

677 tax.]

678 [~~(ii) The tax rate may not exceed .002 per dollar of taxable value.~~]

679 [~~(b) Except as provided in Subsection (3)(c), in order to receive state support the first~~
680 ~~year, a district must receive voter approval no later than December 1 of the year prior to~~
681 ~~implementation.~~]

682 [~~(c) Beginning on or after January 1, 2012, a school district may receive state support~~
683 ~~in accordance with Subsection (4) without complying with the requirements of Subsection~~
684 ~~(3)(b) if the local school board imposed a tax in accordance with this section during the taxable~~
685 ~~year beginning on January 1, 2011 and ending on December 31, 2011.~~]

686 [~~(4) (a) In addition to the revenue a school district collects from the imposition of a~~
687 ~~levy pursuant to this section, the state shall contribute an amount sufficient to guarantee \$35.55~~
688 ~~per weighted pupil unit for each .0001 of the first .0016 per dollar of taxable value.~~]

689 [~~(b) The same dollar amount guarantee per weighted pupil unit for the .0016 per dollar~~
690 ~~of taxable value under Subsection (4)(a) shall apply to the portion of the board local levy~~
691 ~~authorized in Section 53A-17a-164, so that the guarantee shall apply up to a total of .002 per~~
692 ~~dollar of taxable value if a school district levies a tax rate under both programs.~~]

693 [~~(c) (i) Beginning July 1, 2015, the \$35.55 guarantee under Subsections (4)(a) and (b)~~
694 ~~shall be indexed each year to the value of the weighted pupil unit for the grades 1 through 12~~
695 ~~program by making the value of the guarantee equal to .011962 times the value of the prior~~
696 ~~year's weighted pupil unit for the grades 1 through 12 program.~~]

697 [~~(ii) The guarantee shall increase by .0005 times the value of the prior year's weighted~~
698 ~~pupil unit for the grades 1 through 12 program for each succeeding year subject to the~~
699 ~~Legislature appropriating funds for an increase in the guarantee.~~]

700 [~~(d) (i) The amount of state guarantee money to which a school district would~~
701 ~~otherwise be entitled to receive under this Subsection (4) may not be reduced for the sole~~
702 ~~reason that the district's levy is reduced as a consequence of changes in the certified tax rate~~
703 ~~under Section 59-2-924 pursuant to changes in property valuation.~~]

704 [~~(ii) Subsection (4)(d)(i) applies for a period of five years following any such change in~~
705 ~~the certified tax rate.~~]

706 [~~(e) The guarantee provided under this section does not apply to the portion of a voted~~
707 ~~local levy rate that exceeds the voted local levy rate that was in effect for the previous fiscal~~

708 year, unless an increase in the voted local levy rate was authorized in an election conducted on
709 or after July 1 of the previous fiscal year and before December 2 of the previous fiscal year.]

710 [~~(f) (i) If a voted and board local levy funding balance exists for the prior fiscal year,
711 the State Board of Education shall:]~~

712 [~~(A) use the voted and board local levy funding balance to increase the value of the
713 state guarantee per weighted pupil unit described in Subsection (4)(c) in the current fiscal year;
714 and]~~

715 [~~(B) distribute the state contribution to the voted and board local levy programs to
716 school districts based on the increased value of the state guarantee per weighted pupil unit
717 described in Subsection (4)(f)(i)(A).]~~

718 [~~(ii) The State Board of Education shall report action taken under this Subsection (4)(f)
719 to the Office of the Legislative Fiscal Analyst and the Governor's Office of Management and
720 Budget.]~~

721 (1) As used in this section, "voted local levy" means a local levy imposed in
722 accordance with this section by a local school board.

723 (2) (a) A local school board may impose or modify a voted local levy on property
724 located in the school district of the local school board if a majority of the electors of the school
725 district voting at an election in the manner set forth in Subsections (8) and (9) vote in favor of
726 imposing or modifying the voted local levy.

727 (b) The tax rate of the imposed or modified voted local levy may not exceed .002 per
728 dollar of taxable value.

729 (3) The local school board shall hold an election to consider imposing or modifying the
730 voted local levy if:

731 (a) (i) 10% of the electors of the school district who voted at the last preceding general
732 election sign an initiative petition; and

733 (ii) the initiative petition is presented to the local school board; or

734 (b) a majority of the local school board votes in favor of holding the election.

735 [~~(5)] (4) (a) An election to modify an existing voted local levy is not a reconsideration
736 of the local school board's existing voted local levy authority unless the proposition submitted
737 to the electors expressly so states.~~

738 (b) A majority vote opposing a modification does not deprive the [~~district]~~ local school

739 board of authority to continue the voted local levy.

740 (c) If adoption of a voted local levy is contingent upon an offset reducing other local
741 school board levies, the local school board [~~must~~] shall allow the electors, in an election, to
742 consider modifying or discontinuing the imposition of the voted local levy [~~prior to~~] before a
743 subsequent increase in other levies that would increase the total local school board [~~levy~~]
744 levies.

745 (d) Nothing contained in this section terminates, without an election, the authority of a
746 [~~school district~~] local school board to continue imposing an existing voted local levy
747 previously authorized by the voters [~~as a voted leeway program~~].

748 [~~(6)~~] (5) Notwithstanding Section 59-2-919, a local school [~~district~~] board may budget
749 an increased amount of ad valorem property tax revenue derived from a voted local levy
750 imposed under this section in addition to revenue from eligible new growth as defined in
751 Section 59-2-924, without having to comply with the notice requirements of Section 59-2-919,
752 if:

753 (a) the voted local levy is approved:

754 (i) in accordance with Subsections [~~(9)~~] (8) and [~~(10)~~] (9) on or after January 1, 2003;
755 and

756 (ii) within the four-year period immediately preceding the year in which the local
757 school [~~district~~] board seeks to budget an increased amount of ad valorem property tax revenue
758 derived from the voted local levy; and

759 (b) for a voted local levy approved or modified in accordance with this section on or
760 after January 1, 2009, the [~~school district~~] local school board complies with the requirements of
761 Subsection [~~(8)~~] (7).

762 [~~(7)~~] (6) Notwithstanding Section 59-2-919, a local school [~~district~~] board may levy a
763 voted local levy tax rate under this section that exceeds the certified tax rate without having to
764 comply with the notice requirements of Section 59-2-919 if:

765 (a) the voted local levy exceeds the certified tax rate as the result of [~~a school district~~]
766 the local school board budgeting an increased amount of ad valorem property tax revenue
767 derived from a voted local levy imposed under this section;

768 (b) the voted local levy [~~was~~] is approved:

769 (i) in accordance with Subsections [~~(9)~~] (8) and [~~(10)~~] (9) on or after January 1, 2003;

770 and

771 (ii) within the four-year period immediately preceding the year in which the local
772 school [~~district~~] board seeks to budget an increased amount of ad valorem property tax revenue
773 derived from the voted local levy; and

774 (c) for a voted local levy approved or modified in accordance with this section on or
775 after January 1, 2009, the [~~school district~~] local school board complies with requirements of
776 Subsection [~~(8)~~] (7).

777 [~~(8)~~] (7) For purposes of Subsection [~~(6)~~] (5)(b) or [~~(7)~~] (6)(c), the proposition
778 submitted to the electors regarding the adoption or modification of a voted local levy shall
779 contain the following statement:

780 "A vote in favor of this tax means that (name of the school district) may increase
781 revenue from this property tax without advertising the increase for the next five years."

782 [~~(9)~~] (8) (a) Before [~~imposing a property tax~~] a local school board may impose a voted
783 local levy pursuant to this section, a local school [~~district~~] board shall submit an opinion
784 question to the school district's registered voters voting on the imposition of the voted local
785 levy tax rate so that each registered voter has the opportunity to express the registered voter's
786 opinion on whether the tax rate should be imposed.

787 (b) The election required by this Subsection [~~(9)~~] (8) shall be held:

788 (i) at a regular general election conducted in accordance with the procedures and
789 requirements of Title 20A, Election Code, governing regular elections;

790 (ii) at a municipal general election conducted in accordance with the procedures and
791 requirements of Section [20A-1-202](#); or

792 (iii) at a local special election conducted in accordance with the procedures and
793 requirements of Section [20A-1-203](#).

794 (c) Notwithstanding the requirements of Subsections [~~(9)~~] (8)(a) and (b), beginning on
795 or after January 1, 2012, a local school [~~district~~] board may levy a voted local levy tax rate in
796 accordance with this section without complying with the requirements of Subsections [~~(9)~~]
797 (8)(a) and (b) if the local school [~~district~~] board imposed a tax in accordance with this section
798 at any time during the taxable year beginning on January 1, 2011, and ending on December 31,
799 2011.

800 [~~(10)~~] (9) If a local school [~~district~~] board determines that a majority of the school

801 district's registered voters voting on the imposition of the voted local levy tax rate have voted
 802 in favor of the imposition of the tax rate in accordance with Subsection ~~[(9)]~~ (8), the local
 803 school ~~[district may]~~ board may impose the tax rate.

804 (10) In order for a school district to receive a state guarantee described in Section
 805 53A-17a-133.5 the first year a voted local levy is imposed, a local school board shall receive
 806 voter approval no later than December 1 of the year before implementation.

807 Section 9. Section **53A-17a-133.5** is enacted to read:

808 **53A-17a-133.5. State guaranteed local levy increments -- Appropriation to**
 809 **increase number of guaranteed local levy increments -- No effect of change of certified**
 810 **tax rate -- Voted and board local levy funding balance -- Use of guaranteed local levy**
 811 **increment funds.**

812 (1) As used in this section:

813 (a) "Board local levy" means a local levy described in Section 53A-17a-164.

814 (b) "Guaranteed local levy increment" means a local levy increment guaranteed by the
 815 state:

816 (i) for the board local levy, described in Subsections (2)(a)(ii)(A) and (2)(b)(ii)(A); or

817 (ii) for the voted local levy, described in Subsections (2)(a)(ii)(B) and (2)(b)(ii)(B).

818 (c) "Local levy increment" means .0001 per dollar of taxable value.

819 (d) (i) "Voted and board local levy funding balance" means the difference between:

820 (A) the amount appropriated for the guaranteed local levy increments of the voted local
 821 levy and board local levy in a fiscal year; and

822 (B) the amount necessary to fund in the same fiscal year the guaranteed local levy
 823 increments as determined under this section.

824 (ii) "Voted and board local levy funding balance" does not include appropriations
 825 described in Subsection (2)(b)(i).

826 (e) "Voted local levy" means a local levy described in Section 53A-17a-133.

827 (2) (a) In addition to revenue a school district collects from the imposition of a voted
 828 local levy or a board local levy, the state shall guarantee:

829 (i) subject to Subsections (2)(b)(ii)(C) and (3)(a), for each guaranteed local levy
 830 increment, an amount sufficient to guarantee \$35.55 per weighted pupil unit; and

831 (ii) except as provided in Subsection (2)(b)(ii):

832 (A) for a board local levy, the amount described in Subsection (2)(a)(i) for the first four
833 local levy increments a local school board imposes under the board local levy; and

834 (B) for a voted local levy, the amount described in Subsection (2)(a)(i) for the first 16
835 local levy increments a local school board imposes under the voted local levy.

836 (b) (i) Subject to future budget constraints and Subsection (2)(c), the Legislature shall
837 annually appropriate money from the Local Levy Growth Account established in Section
838 53A-17a-135.6 to increase the number of guaranteed local levy increments in accordance with
839 Subsection (2)(b)(ii).

840 (ii) The State Board of Education shall, for a fiscal year beginning on or after July 1,
841 2018, and subject to Subsection (2)(c), allocate funds appropriated under Subsection (2)(b)(i)
842 in the following order of priority by increasing:

843 (A) by up to two increments for any given fiscal year the number of board local levy
844 guaranteed local levy increments above four;

845 (B) by up to two increments for any given fiscal year the number of voted local levy
846 guaranteed local levy increments above 16; and

847 (C) the guaranteed amount for each local levy increment per weighted pupil unit
848 described in Subsection (2)(a)(i).

849 (c) The number of guaranteed local levy increments under this Subsection (2) for a
850 school district may not exceed 38 guaranteed local levy increments, regardless of whether the
851 guaranteed local levy increments are from the imposition of a voted local levy, a board local
852 levy, or a combination of the two.

853 (3) (a) Beginning July 1, 2015, the \$35.55 guarantee described in Subsection (2)(a)(i)
854 shall be indexed each year to the value of the weighted pupil unit by making the value of the
855 guarantee equal to .011962 times the value of the prior year's weighted pupil unit.

856 (b) The guarantee shall increase by .0005 times the value of the prior year's weighted
857 pupil unit for each succeeding year subject to the Legislature appropriating funds for an
858 increase in the guarantee.

859 (4) (a) The amount of guaranteed local levy increment money that a school district
860 would otherwise be entitled to receive under this section may not be reduced for the sole reason
861 that the school district's board local levy or voted local levy is reduced as a consequence of
862 changes in a certified tax rate under Section 59-2-924 pursuant to changes in property

863 valuation.

864 (b) Subsection (4)(a) applies for a period of five years following a change in the
865 certified tax rate as described in Subsection (4)(a).

866 (5) The guaranteed local levy increments from the imposition of a voted local levy do
867 not apply to the portion of a voted local levy rate that exceeds the voted local levy rate that was
868 in effect for the previous fiscal year, unless an increase in the voted local levy rate was
869 authorized in an election described in Section [53A-17a-133](#) conducted on or after July 1 of the
870 previous fiscal year and before December 2 of the previous fiscal year.

871 (6) (a) If a voted and board local levy funding balance exists for the prior fiscal year,
872 the State Board of Education shall:

873 (i) use the voted and board local levy funding balance to increase the value of the state
874 guarantee per weighted pupil unit described in Subsection (3)(a) in the current fiscal year; and

875 (ii) distribute guaranteed local levy increment funds to school districts based on the
876 increased value of the state guarantee per weighted pupil unit described in Subsection (6)(a)(i).

877 (b) The State Board of Education shall report action taken under Subsection (6)(a) to
878 the Office of the Legislative Fiscal Analyst and the Governor's Office of Management and
879 Budget.

880 (7) A local school board of a school district that receives funds described in this section
881 shall budget and expend the funds for any public education purpose.

882 (8) (a) Subject to prioritization of the Audit Subcommittee, the Office of the
883 Legislative Auditor General established under Section [36-12-15](#) shall on or before November
884 1, 2020:

885 (i) conduct an audit of money appropriated and allocated under Subsection (2)(b); and

886 (ii) prepare and submit a written report of the audit in accordance with Subsection
887 [36-12-15\(4\)\(b\)\(ii\)](#).

888 (b) The audit shall include:

889 (i) the annual amount of money appropriated under Subsection (2)(b)(i);

890 (ii) (A) which school districts received money under Subsection (2)(b)(ii); and

891 (B) what expenses each school district paid for with the money;

892 (iii) how the appropriation described in Subsection (2)(b)(i) affected differences in per
893 student property tax revenue between school districts within the state; and

894 (iv) what effects, if any, the appropriation described in Subsection (2)(b)(i) has had on
895 statewide education, including any discrepancies between the effect on school districts and
896 charter schools.

897 Section 10. Section **53A-17a-134** is amended to read:

898 **53A-17a-134. Board-approved leeway -- Purpose -- State support -- Disapproval.**

899 (1) Except as provided in Subsection (9), a local school board may levy a tax rate of up
900 to .0004 per dollar of taxable value to maintain a school program above the cost of the basic
901 school program as follows:

902 (a) a local school board shall use the money generated by the tax for class size
903 reduction within the school district;

904 (b) if a local school board determines that the average class size in the school district is
905 not excessive, it may use the money for other school purposes but only if the board has
906 declared the use for other school purposes in a public meeting prior to levying the tax rate; and

907 (c) a district may not use the money for other school purposes under Subsection (1)(b)
908 until it has certified in writing that its class size needs are already being met and has identified
909 the other school purposes for which the money will be used to the State Board of Education
910 and the state board has approved their use for other school purposes.

911 (2) (a) The state shall contribute an amount sufficient to guarantee \$27.36 per weighted
912 pupil unit for each .0001 per dollar of taxable value.

913 (b) The guarantee shall increase in the same manner as provided for the voted local
914 levy guarantee in Subsection [~~53A-17a-133(4)(e)~~] 53A-17a-133.5(3)(a).

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

919 (ii) Subsection (2)(c)(i) applies for a period of five years following any such change in
920 the certified tax rate.

921 (d) The guarantee provided under this section does not apply to:

922 (i) a board-authorized leeway in the first fiscal year the leeway is in effect, unless the
923 leeway was approved by voters pursuant to Subsections (4) through (6); or

924 (ii) the portion of a board-authorized leeway rate that is in excess of the

925 board-authorized leeway rate that was in effect for the previous fiscal year.

926 (3) The levy authorized under this section is not in addition to the maximum rate of
927 .002 authorized in Section 53A-17a-133, but is a board-authorized component of the total tax
928 rate under that section.

929 (4) As an exception to Section 53A-17a-133, the board-authorized levy does not
930 require voter approval, but the board may require voter approval if requested by a majority of
931 the board.

932 (5) An election to consider disapproval of the board-authorized levy is required, if
933 within 60 days after the levy is established by the board, referendum petitions signed by the
934 number of legal voters required in Section 20A-7-301, who reside within the school district, are
935 filed with the school district.

936 (6) (a) A local school board shall establish its board-approved levy by April 1 to have
937 the levy apply to the fiscal year beginning July 1 in that same calendar year except that if an
938 election is required under this section, the levy applies to the fiscal year beginning July 1 of the
939 next calendar year.

940 (b) The approval and disapproval votes authorized in Subsections (4) and (5) shall
941 occur at a general election in even-numbered years, except that a vote required under this
942 section in odd-numbered years shall occur at a special election held on a day in odd-numbered
943 years that corresponds to the general election date. The school district shall pay for the cost of
944 a special election.

945 (7) (a) Modification or termination of a voter-approved leeway rate authorized under
946 this section is governed by Section 53A-17a-133.

947 (b) A board-authorized leeway rate may be modified or terminated by a majority vote
948 of the board subject to disapproval procedures specified in this section.

949 (8) A board levy election does not require publication of a voter information pamphlet.

950 (9) Beginning January 1, 2012, a local school board may not levy a tax in accordance
951 with this section.

952 Section 11. Section 53A-17a-135 is amended to read:

953 **53A-17a-135. Minimum basic tax rate -- Certified revenue levy.**

954 (1) (a) As used in this section, "basic levy increment rate" means a tax rate that will
955 generate an amount of revenue equal to \$75,000,000.

956 (b) The provisions of this section are not in effect for a fiscal year that begins July 1,
957 2018, 2019, 2020, 2021, or 2022.

958 (2) (a) In order to qualify for receipt of the state contribution toward the basic program
959 and as ~~[its]~~ the school district's contribution toward ~~[its]~~ the costs of the basic program, each
960 school district shall impose a minimum basic tax rate per dollar of taxable value that generates
961 \$392,266,800 in revenues statewide.

962 (b) The preliminary estimate for the 2016-17 minimum basic tax rate is .001695.

963 (c) The State Tax Commission shall certify on or before June 22 the rate that generates
964 \$392,266,800 in revenues statewide.

965 (d) If the minimum basic tax rate exceeds the certified revenue levy as defined in
966 Section [53A-17a-103](#), the state is subject to the notice requirements of Section [59-2-926](#).

967 (3) (a) The state shall contribute to each district toward the cost of the basic program in
968 the district that portion which exceeds the proceeds of the difference between:

969 (i) the minimum basic tax rate to be imposed under Subsection (2); and

970 (ii) the basic levy increment rate.

971 (b) In accordance with the state strategic plan for public education and to fulfill its
972 responsibility for the development and implementation of that plan, the Legislature instructs
973 the State Board of Education, the governor, and the Office of Legislative Fiscal Analyst in each
974 of the coming five years to develop budgets that will fully fund student enrollment growth.

975 (4) (a) If the difference described in Subsection (3)(a) equals or exceeds the cost of the
976 basic program in a school district, no state contribution shall be made to the basic program.

977 (b) The proceeds of the difference described in Subsection (3)(a) that exceed the cost
978 of the basic program shall be paid into the Uniform School Fund as provided by law.

979 (5) The State Board of Education shall:

980 (a) deduct from state funds that a school district is authorized to receive under this
981 chapter an amount equal to the proceeds generated within the school district by the basic levy
982 increment rate; and

983 (b) deposit the money described in Subsection (5)(a) into the Minimum Basic Growth
984 Account created in Section [53A-17a-135.1](#).

985 Section 12. Section [53A-17a-135.1](#) is amended to read:

986 **[53A-17a-135.1. Minimum Basic Growth Account.](#)**

987 (1) As used in this section, "account" means the Minimum Basic Growth Account
988 created in this section.

989 (2) There is created within the Education Fund a restricted account known as the
990 "Minimum Basic Growth Account."

991 (3) The account shall be funded by amounts deposited into the account in accordance
992 with Section [53A-17a-135](#) or [53A-17a-135.5](#), as applicable.

993 (4) The account shall earn interest.

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

995 (6) Upon appropriation by the Legislature:

996 (a) 75% of the money from the account shall be used to fund the state's contribution to
997 the voted local levy guarantee described in [~~Subsection 53A-17a-133(4)~~] Section
998 [53A-17a-133.5](#);

999 (b) 20% of the money from the account shall be used to fund the Capital Outlay
1000 Foundation Program as provided in Title 53A, Chapter 21, Part 2, Capital Outlay Foundation
1001 Program; and

1002 (c) 5% of the money from the account shall be used to fund the Capital Outlay
1003 Enrollment Growth Program as provided in Title 53A, Chapter 21, Part 3, Capital Outlay
1004 Enrollment Growth Program.

1005 Section 13. Section **53A-17a-135.5** is enacted to read:

1006 **53A-17a-135.5. Minimum basic tax rate for July 1, 2018, through July 1, 2022,**
1007 **fiscal years -- Certified revenue levy.**

1008 (1) (a) As used in this section:

1009 (i) "Basic levy increment rate" means a tax rate that will generate an amount of revenue
1010 equal to \$75,000,000.

1011 (ii) "Fixed minimum rate" means a tax rate that will generate an amount of revenue
1012 equal to \$20,000,000.

1013 (b) The provisions of this section apply for a fiscal year that begins on July 1, 2018,
1014 2019, 2020, 2021, or 2022.

1015 (2) (a) In order to qualify for receipt of the state contribution toward the basic program
1016 and as the school district's contribution toward the costs of the basic program, each school
1017 district shall impose a minimum basic tax rate per dollar of taxable value in accordance with

1018 this section.

1019 **(b)** The minimum basic rate is the greater of:

1020 **(i)** the certified revenue levy; or

1021 **(ii)** a tax rate of .0016.

1022 **(c)** On or before June 22, the State Tax Commission shall certify:

1023 **(i)** the minimum basic tax rate to be imposed under Subsection (2)(b);

1024 **(ii)** the basic levy increment rate; and

1025 **(iii)** the fixed minimum rate.

1026 **(3)** (a) The state shall contribute to each school district toward the cost of the basic

1027 program in the school district the portion that exceeds the proceeds of the difference between:

1028 **(i)** the minimum basic tax rate to be imposed under Subsection (2); and

1029 **(ii)** the sum of the basic levy increment rate and the fixed minimum rate.

1030 **(b)** In accordance with the state strategic plan for public education and to fulfill its

1031 responsibility for the development and implementation of that plan, the Legislature instructs

1032 the State Board of Education, the governor, and the Office of the Legislative Fiscal Analyst in

1033 each of the coming five years to develop budgets that will fully fund student enrollment

1034 growth.

1035 **(4)** (a) If the difference described in Subsection (3)(a) equals or exceeds the cost of the

1036 basic program in a school district, no state contribution shall be made to the basic program.

1037 **(b)** The proceeds of the difference described in Subsection (3)(a) that exceed the cost

1038 of the basic program shall be paid into the Uniform School Fund as provided by law.

1039 **(5)** The State Board of Education shall:

1040 **(a)** deduct from state funds that a school district is authorized to receive under this

1041 chapter an amount equal to the proceeds generated within the school district by the basic levy

1042 increment rate; and

1043 **(b)** deposit the money described in Subsection (5)(a) into the Minimum Basic Growth

1044 Account created in Section [53A-17a-135.1](#).

1045 **(6)** The State Board of Education shall:

1046 **(a)** deduct from state funds that a school district is authorized to receive under this

1047 chapter an amount equal to the proceeds generated within the school district by the fixed

1048 minimum rate; and

1049 (b) deposit the money described in Subsection (6)(a) into the Local Levy Growth
1050 Account created in Section [53A-17a-135.6](#).

1051 Section 14. Section **53A-17a-135.6** is enacted to read:

1052 **53A-17a-135.6. Local Levy Growth Account.**

1053 (1) As used in this section, "account" means the Local Levy Growth Account created in
1054 this section.

1055 (2) There is created within the Education Fund a restricted account known as the
1056 "Local Levy Growth Account."

1057 (3) The account shall be funded by:

1058 (a) amounts deposited into the account in accordance with Section [53A-17a-135.5](#); and

1059 (b) other legislative appropriations.

1060 (4) The account shall earn interest.

1061 (5) Interest earned on the account shall be deposited into the account.

1062 (6) The Legislature shall appropriate money in the account to the State Board of
1063 Education.

1064 (7) The State Board of Education shall use money in the account in accordance with
1065 Section [53A-17a-133.5](#).

1066 Section 15. Section **53A-17a-136** is amended to read:

1067 **53A-17a-136. Cost of operation and maintenance of minimum school program --**
1068 **Division between state and school districts.**

1069 (1) The total cost of operation and maintenance of the minimum school program in the
1070 state is divided between the state and school districts as follows:

1071 (a) Each school district shall impose a minimum basic tax rate on all taxable, tangible
1072 property in the school district and shall contribute the tax proceeds toward the cost of the basic
1073 program as provided in this chapter.

1074 (b) Each school district may also impose a levy for the purpose of participating in the
1075 levy programs provided in Section [53A-17a-133](#) or [53A-17a-164](#).

1076 (c) The state shall contribute the balance of the total costs.

1077 (2) The contributions by the school districts and by the state are computed separately
1078 for the purpose of determining their respective contributions to:

1079 (a) the basic program; and [to]

1080 (b) (i) the levy programs provided in Section [53A-17a-133](#) or [53A-17a-164](#)~~[-];~~ and
1081 (ii) the state guarantee of the levy programs as described in Section [53A-17a-133.5](#).

1082 Section 16. Section **53A-17a-143** is amended to read:

1083 **53A-17a-143. Federal Impact Aid Program -- Offset for underestimated**
1084 **allocations from the Federal Impact Aid Program.**

1085 (1) In addition to the revenues received from the levy imposed by each school district
1086 and authorized by the Legislature under Section [53A-17a-135](#) or [53A-17a-135.5](#), as applicable,
1087 the Legislature shall provide an amount equal to the difference between the district's
1088 anticipated receipts under the entitlement for the fiscal year from the Federal Impact Aid
1089 Program and the amount the district actually received from this source for the next preceding
1090 fiscal year.

1091 (2) If at the end of a fiscal year the sum of the receipts of a school district from a
1092 distribution from the Legislature pursuant to Subsection (1) plus the school district's allocations
1093 from the Federal Impact Aid Program for that fiscal year exceeds the amount allocated to the
1094 district from the Federal Impact Aid Program for the next preceding fiscal year, the excess
1095 funds are carried into the next succeeding fiscal year and become in that year a part of the
1096 district's contribution to its basic program for operation and maintenance under the state
1097 minimum school finance law.

1098 (3) During that year the district's required tax rate for the basic program shall be
1099 reduced so that the yield from the reduced tax rate plus the carryover funds equal the district's
1100 required contribution to its basic program.

1101 (4) A district that reduces its basic tax rate under this section shall receive state
1102 minimum school program funds as though the reduction in the tax rate had not been made.

1103 Section 17. Section **53A-17a-146** is amended to read:

1104 **53A-17a-146. Reduction of district allocation based on insufficient revenues.**

1105 (1) As used in this section, "Minimum School Program funds" means the total of state
1106 and local funds appropriated for the Minimum School Program, excluding:

1107 (a) the state-supported voted local levy ~~[program]~~ and board local levy programs
1108 pursuant to Section ~~[[53A-17a-133](#)]~~; ~~(b) the state-supported board local levy program pursuant~~
1109 ~~to Section [53A-17a-164](#)]~~ [53A-17a-133.5](#); and

1110 ~~[(c)]~~ (b) the appropriation to charter schools to replace local property tax revenues

1111 pursuant to Section [53A-1a-513](#).

1112 (2) If the Legislature reduces appropriations made to support public schools under this
1113 chapter because an Education Fund budget deficit, as defined in Section [63J-1-312](#), exists, the
1114 State Board of Education, after consultation with each school district and charter school, shall
1115 allocate the reduction among school districts and charter schools in proportion to each school
1116 district's or charter school's percentage share of Minimum School Program funds.

1117 (3) Except as provided in Subsection (5) and subject to the requirements of Subsection
1118 (7), a school district or charter school shall determine which programs are affected by a
1119 reduction pursuant to Subsection (2) and the amount each program is reduced.

1120 (4) Except as provided in Subsections (5) and (6), the requirement to spend a specified
1121 amount in any particular program is waived if reductions are made pursuant to Subsection (2).

1122 (5) A school district or charter school may not reduce or reallocate spending of funds
1123 distributed to the school district or charter school for the following programs:

- 1124 (a) educator salary adjustments provided in Section [53A-17a-153](#);
- 1125 (b) the Teacher Salary Supplement Program provided in Section [53A-17a-156](#);
- 1126 (c) the extended year for special educators provided in Section [53A-17a-158](#);
- 1127 (d) USTAR centers provided in Section [53A-17a-159](#);
- 1128 (e) the School LAND Trust Program created in Section [53A-16-101.5](#); or
- 1129 (f) a special education program within the Basic School Program.

1130 (6) A school district or charter school may not reallocate spending of funds distributed
1131 to the school district or charter school to a reserve account.

1132 (7) A school district or charter school that reduces or reallocates funds in accordance
1133 with this section shall report all transfers into, or out of, Minimum School Program programs
1134 to the State Board of Education as part of the school district or charter school's Annual
1135 Financial and Program report.

1136 Section 18. Section [53A-17a-164](#) is amended to read:

1137 **[53A-17a-164](#). Board local levy.**

1138 (1) As used in this section, "board local levy" means a local levy imposed in
1139 accordance with this section by a local school board.

1140 [~~1~~] (2) Subject to the other requirements of this section, for a calendar year beginning
1141 on or after January 1, 2012, a local school board may levy a tax to fund the school district's

1142 general fund.

1143 ~~[(2)]~~ (3) (a) For purposes of this Subsection ~~[(2)]~~ (3), "combined rate" means the sum
1144 of:

1145 (i) the rate imposed by a local school board under Subsection ~~[(1)]~~ (2); and

1146 (ii) the charter school levy rate, described in Section 53A-1a-513.1, for the local school
1147 board's school district.

1148 (b) Except as provided in Subsection ~~[(2)]~~ (3)(c), beginning on January 1, 2017, a
1149 school district's combined rate may not exceed .0018 per dollar of taxable value in any calendar
1150 year.

1151 (c) Beginning on January 1, 2017, a school district's combined rate may not exceed
1152 .0025 per dollar of taxable value in any calendar year if, during the calendar year beginning on
1153 January 1, 2011, the school district's total tax rate for the following levies was greater than
1154 .0018 per dollar of taxable value:

1155 (i) a recreation levy imposed under Section 11-2-7;

1156 (ii) a transportation levy imposed under Section 53A-17a-127;

1157 (iii) a board-authorized levy imposed under Section 53A-17a-134;

1158 (iv) an impact aid levy imposed under Section 53A-17a-143;

1159 (v) the portion of a 10% of basic levy imposed under Section 53A-17a-145 that is
1160 budgeted for purposes other than capital outlay or debt service;

1161 (vi) a reading levy imposed under Section 53A-17a-151; and

1162 (vii) a tort liability levy imposed under Section 63G-7-704.

1163 ~~[(3)(a) In addition to the revenue a school district collects from the imposition of a
1164 levy pursuant to this section, the state shall contribute an amount sufficient to guarantee that
1165 each .0001 of the first .0004 per dollar of taxable value generates an amount equal to the state
1166 guarantee per weighted pupil unit described in Subsection 53A-17a-133(4).]~~

1167 ~~[(b)(i) The amount of state guarantee money to which a school district would
1168 otherwise be entitled to under this Subsection (3) may not be reduced for the sole reason that
1169 the district's levy is reduced as a consequence of changes in the certified tax rate under Section
1170 59-2-924 pursuant to changes in property valuation.]~~

1171 ~~[(ii) Subsection (3)(b)(i) applies for a period of five years following any changes in the
1172 certified tax rate.]~~

1173 (4) (a) For a calendar year beginning on or after January 1, 2017, the State Tax
1174 Commission shall adjust a board local levy rate imposed by a local school board under this
1175 section by the amount necessary to offset the change in revenues from the charter school levy
1176 imposed under Section 53A-1a-513.1.

1177 (b) A local school board is not required to comply with the notice and public hearing
1178 requirements of Section 59-2-919 for an offset described in Subsection (4)(a) to the change in
1179 revenues from the charter school levy imposed under Section 53A-1a-513.1.

1180 (c) A local school board may not increase a board local levy rate under this section
1181 before December 31, 2016, if the local school board did not give public notice on or before
1182 March 4, 2016, of the local school board's intent to increase the board local levy rate.

1183 (d) So long as the charter school levy rate does not exceed 25% of the charter school
1184 levy per district revenues, a local school board may not increase a board local levy rate under
1185 this section if the purpose of increasing the board local levy rate is to capture the revenues
1186 assigned to the charter school levy through the adjustment in a board local levy rate under
1187 Subsection (4)(a).

1188 (e) Before a local school board takes action to increase a board local levy rate under
1189 this section, the local school board shall:

1190 (i) prepare a written statement that attests that the local school board is in compliance
1191 with Subsection (4)(d);

1192 (ii) read the statement described in Subsection (4)(e)(i) during a local school board
1193 public meeting where the local school board discusses increasing the board local levy rate; and

1194 (iii) send a copy of the statement described in Subsection (4)(e)(i) to the State Tax
1195 Commission.

1196 Section 19. Section 53A-19-102 is amended to read:

1197 **53A-19-102. Local governing board budget procedures.**

1198 (1) As used in this section:

1199 (a) "Budget officer" means:

1200 (i) for a school district, the school district's superintendent; or

1201 (ii) for a charter school, an individual selected by the charter school governing board.

1202 (b) "Governing board" means:

1203 (i) for a school district, the local school board; or

1204 (ii) for a charter school, the charter school governing board.

1205 (2) (a) For a school district, before June 22 of each year, a local school board shall
1206 adopt a budget and make appropriations for the next fiscal year.

1207 (b) For a school district, if the tax rate in the school district's proposed budget exceeds
1208 the certified tax rate defined in Section 59-2-924, the local school board shall comply with
1209 Section 59-2-919 in adopting the budget, except as provided by Section [53A-17a-133]
1210 [53A-17a-133.5](#).

1211 (3) (a) For a school district, before the adoption or amendment of a budget, a local
1212 school board shall hold a public hearing, as defined in Section 10-9a-103, on the proposed
1213 budget or budget amendment.

1214 (b) In addition to complying with Title 52, Chapter 4, Open and Public Meetings Act,
1215 in regards to the public hearing described in Subsection (3)(a), at least 10 days prior to the
1216 public hearing, a local school board shall:

1217 (i) publish a notice of the public hearing in a newspaper or combination of newspapers
1218 of general circulation in the school district, except as provided in Section 45-1-101;

1219 (ii) publish a notice of the public hearing electronically in accordance with Section
1220 [45-1-101](#);

1221 (iii) file a copy of the proposed budget with the local school board's business
1222 administrator for public inspection; and

1223 (iv) post the proposed budget on the school district's Internet website.

1224 (c) A notice of a public hearing on a school district's proposed budget shall include
1225 information on how the public may access the proposed budget as provided in Subsections
1226 (3)(b)(iii) and (iv).

1227 (4) For a charter school, before June 22 of each year, a charter school governing board
1228 shall adopt a budget for the next fiscal year.

1229 (5) Within 30 days of adopting a budget, a governing board shall file a copy of the
1230 adopted budget with the state auditor and the State Board of Education.

1231 Section 20. Section 59-2-102 is amended to read:

1232 **59-2-102. Definitions.**

1233 As used in this chapter and title:

1234 (1) "Aerial applicator" means aircraft or rotorcraft used exclusively for the purpose of

1235 engaging in dispensing activities directly affecting agriculture or horticulture with an
1236 airworthiness certificate from the Federal Aviation Administration certifying the aircraft or
1237 rotorcraft's use for agricultural and pest control purposes.

1238 (2) "Air charter service" means an air carrier operation that requires the customer to
1239 hire an entire aircraft rather than book passage in whatever capacity is available on a scheduled
1240 trip.

1241 (3) "Air contract service" means an air carrier operation available only to customers
1242 that engage the services of the carrier through a contractual agreement and excess capacity on
1243 any trip and is not available to the public at large.

1244 (4) "Aircraft" means the same as that term is defined in Section [72-10-102](#).

1245 (5) (a) Except as provided in Subsection (5)(b), "airline" means an air carrier that:

1246 (i) operates:

1247 (A) on an interstate route; and

1248 (B) on a scheduled basis; and

1249 (ii) offers to fly one or more passengers or cargo on the basis of available capacity on a
1250 regularly scheduled route.

1251 (b) "Airline" does not include an:

1252 (i) air charter service; or

1253 (ii) air contract service.

1254 (6) "Assessment roll" means a permanent record of the assessment of property as
1255 assessed by the county assessor and the commission and may be maintained manually or as a
1256 computerized file as a consolidated record or as multiple records by type, classification, or
1257 categories.

1258 (7) "Base parcel" means a parcel of property that was legally:

1259 (a) subdivided into two or more lots, parcels, or other divisions of land; or

1260 (b) (i) combined with one or more other parcels of property; and

1261 (ii) subdivided into two or more lots, parcels, or other divisions of land.

1262 (8) (a) "Certified revenue levy" means a property tax levy that provides an amount of
1263 ad valorem property tax revenue equal to the sum of:

1264 (i) the amount of ad valorem property tax revenue to be generated statewide in the
1265 previous year from imposing a school minimum basic tax rate, as specified in Section

1266 [53A-17a-135](#) or [53A-17a-135.5](#), as applicable, or multicounty assessing and collecting levy, as
1267 specified in Section [59-2-1602](#); and

1268 (ii) the product of:

1269 (A) eligible new growth, as defined in Section [59-2-924](#); and

1270 (B) the school minimum basic tax rate or multicounty assessing and collecting levy
1271 certified by the commission for the previous year.

1272 (b) For purposes of this Subsection (8), "ad valorem property tax revenue" does not
1273 include property tax revenue received by a taxing entity from personal property that is:

1274 (i) assessed by a county assessor in accordance with Part 3, County Assessment; and

1275 (ii) semiconductor manufacturing equipment.

1276 (c) For purposes of calculating the certified revenue levy described in this Subsection
1277 (8), the commission shall use:

1278 (i) the taxable value of real property assessed by a county assessor contained on the
1279 assessment roll;

1280 (ii) the taxable value of real and personal property assessed by the commission; and

1281 (iii) the taxable year end value of personal property assessed by a county assessor
1282 contained on the prior year's assessment roll.

1283 (9) "County-assessed commercial vehicle" means:

1284 (a) any commercial vehicle, trailer, or semitrailer that is not apportioned under Section
1285 [41-1a-301](#) and is not operated interstate to transport the vehicle owner's goods or property in
1286 furtherance of the owner's commercial enterprise;

1287 (b) any passenger vehicle owned by a business and used by its employees for
1288 transportation as a company car or vanpool vehicle; and

1289 (c) vehicles that are:

1290 (i) especially constructed for towing or wrecking, and that are not otherwise used to
1291 transport goods, merchandise, or people for compensation;

1292 (ii) used or licensed as taxicabs or limousines;

1293 (iii) used as rental passenger cars, travel trailers, or motor homes;

1294 (iv) used or licensed in this state for use as ambulances or hearses;

1295 (v) especially designed and used for garbage and rubbish collection; or

1296 (vi) used exclusively to transport students or their instructors to or from any private,

1297 public, or religious school or school activities.

1298 (10) (a) Except as provided in Subsection (10)(b), for purposes of Section 59-2-801,
1299 "designated tax area" means a tax area created by the overlapping boundaries of only the
1300 following taxing entities:

1301 (i) a county; and

1302 (ii) a school district.

1303 (b) "Designated tax area" includes a tax area created by the overlapping boundaries of
1304 the taxing entities described in Subsection (10)(a) and:

1305 (i) a city or town if the boundaries of the school district under Subsection (10)(a) and
1306 the boundaries of the city or town are identical; or

1307 (ii) a special service district if the boundaries of the school district under Subsection
1308 (10)(a) are located entirely within the special service district.

1309 (11) "Eligible judgment" means a final and unappealable judgment or order under
1310 Section 59-2-1330:

1311 (a) that became a final and unappealable judgment or order no more than 14 months
1312 before the day on which the notice described in Section 59-2-919.1 is required to be provided;
1313 and

1314 (b) for which a taxing entity's share of the final and unappealable judgment or order is
1315 greater than or equal to the lesser of:

1316 (i) \$5,000; or

1317 (ii) 2.5% of the total ad valorem property taxes collected by the taxing entity in the
1318 previous fiscal year.

1319 (12) (a) "Escaped property" means any property, whether personal, land, or any
1320 improvements to the property, that is subject to taxation and is:

1321 (i) inadvertently omitted from the tax rolls, assigned to the incorrect parcel, or assessed
1322 to the wrong taxpayer by the assessing authority;

1323 (ii) undervalued or omitted from the tax rolls because of the failure of the taxpayer to
1324 comply with the reporting requirements of this chapter; or

1325 (iii) undervalued because of errors made by the assessing authority based upon
1326 incomplete or erroneous information furnished by the taxpayer.

1327 (b) "Escaped property" does not include property that is undervalued because of the use

1328 of a different valuation methodology or because of a different application of the same valuation
1329 methodology.

1330 (13) "Fair market value" means the amount at which property would change hands
1331 between a willing buyer and a willing seller, neither being under any compulsion to buy or sell
1332 and both having reasonable knowledge of the relevant facts. For purposes of taxation, "fair
1333 market value" shall be determined using the current zoning laws applicable to the property in
1334 question, except in cases where there is a reasonable probability of a change in the zoning laws
1335 affecting that property in the tax year in question and the change would have an appreciable
1336 influence upon the value.

1337 (14) (a) "Farm machinery and equipment," for purposes of the exemption provided
1338 under Section 59-2-1101, means tractors, milking equipment and storage and cooling facilities,
1339 feed handling equipment, irrigation equipment, harvesters, choppers, grain drills and planters,
1340 tillage tools, scales, combines, spreaders, sprayers, haying equipment, including balers and
1341 cubers, and any other machinery or equipment used primarily for agricultural purposes.

1342 (b) "Farm machinery and equipment" does not include vehicles required to be
1343 registered with the Motor Vehicle Division or vehicles or other equipment used for business
1344 purposes other than farming.

1345 (15) "Geothermal fluid" means water in any form at temperatures greater than 120
1346 degrees centigrade naturally present in a geothermal system.

1347 (16) "Geothermal resource" means:

1348 (a) the natural heat of the earth at temperatures greater than 120 degrees centigrade;
1349 and

1350 (b) the energy, in whatever form, including pressure, present in, resulting from, created
1351 by, or which may be extracted from that natural heat, directly or through a material medium.

1352 (17) (a) "Goodwill" means:

1353 (i) acquired goodwill that is reported as goodwill on the books and records that a
1354 taxpayer maintains for financial reporting purposes; or

1355 (ii) the ability of a business to:

1356 (A) generate income that exceeds a normal rate of return on assets and that results from
1357 a factor described in Subsection (17)(b); or

1358 (B) obtain an economic or competitive advantage resulting from a factor described in

- 1359 Subsection (17)(b).
- 1360 (b) The following factors apply to Subsection (17)(a)(ii):
- 1361 (i) superior management skills;
- 1362 (ii) reputation;
- 1363 (iii) customer relationships;
- 1364 (iv) patronage; or
- 1365 (v) a factor similar to Subsections (17)(b)(i) through (iv).
- 1366 (c) "Goodwill" does not include:
- 1367 (i) the intangible property described in Subsection (21)(a) or (b);
- 1368 (ii) locational attributes of real property, including:
- 1369 (A) zoning;
- 1370 (B) location;
- 1371 (C) view;
- 1372 (D) a geographic feature;
- 1373 (E) an easement;
- 1374 (F) a covenant;
- 1375 (G) proximity to raw materials;
- 1376 (H) the condition of surrounding property; or
- 1377 (I) proximity to markets;
- 1378 (iii) value attributable to the identification of an improvement to real property,
- 1379 including:
- 1380 (A) reputation of the designer, builder, or architect of the improvement;
- 1381 (B) a name given to, or associated with, the improvement; or
- 1382 (C) the historic significance of an improvement; or
- 1383 (iv) the enhancement or assemblage value specifically attributable to the interrelation
- 1384 of the existing tangible property in place working together as a unit.
- 1385 (18) "Governing body" means:
- 1386 (a) for a county, city, or town, the legislative body of the county, city, or town;
- 1387 (b) for a local district under Title 17B, Limited Purpose Local Government Entities -
- 1388 Local Districts, the local district's board of trustees;
- 1389 (c) for a school district, the local board of education; or

1390 (d) for a special service district under Title 17D, Chapter 1, Special Service District
1391 Act:

1392 (i) the legislative body of the county or municipality that created the special service
1393 district, to the extent that the county or municipal legislative body has not delegated authority
1394 to an administrative control board established under Section 17D-1-301; or

1395 (ii) the administrative control board, to the extent that the county or municipal
1396 legislative body has delegated authority to an administrative control board established under
1397 Section 17D-1-301.

1398 (19) (a) For purposes of Section 59-2-103:

1399 (i) "household" means the association of individuals who live in the same dwelling,
1400 sharing its furnishings, facilities, accommodations, and expenses; and

1401 (ii) "household" includes married individuals, who are not legally separated, that have
1402 established domiciles at separate locations within the state.

1403 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1404 commission may make rules defining the term "domicile."

1405 (20) (a) Except as provided in Subsection (20)(c), "improvement" means a building,
1406 structure, fixture, fence, or other item that is permanently attached to land, regardless of
1407 whether the title has been acquired to the land, if:

1408 (i) (A) attachment to land is essential to the operation or use of the item; and

1409 (B) the manner of attachment to land suggests that the item will remain attached to the
1410 land in the same place over the useful life of the item; or

1411 (ii) removal of the item would:

1412 (A) cause substantial damage to the item; or

1413 (B) require substantial alteration or repair of a structure to which the item is attached.

1414 (b) "Improvement" includes:

1415 (i) an accessory to an item described in Subsection (20)(a) if the accessory is:

1416 (A) essential to the operation of the item described in Subsection (20)(a); and

1417 (B) installed solely to serve the operation of the item described in Subsection (20)(a);

1418 and

1419 (ii) an item described in Subsection (20)(a) that is temporarily detached from the land
1420 for repairs and remains located on the land.

- 1421 (c) "Improvement" does not include:
- 1422 (i) an item considered to be personal property pursuant to rules made in accordance
- 1423 with Section 59-2-107;
- 1424 (ii) a moveable item that is attached to land for stability only or for an obvious
- 1425 temporary purpose;
- 1426 (iii) (A) manufacturing equipment and machinery; or
- 1427 (B) essential accessories to manufacturing equipment and machinery;
- 1428 (iv) an item attached to the land in a manner that facilitates removal without substantial
- 1429 damage to the land or the item; or
- 1430 (v) a transportable factory-built housing unit as defined in Section 59-2-1502 if that
- 1431 transportable factory-built housing unit is considered to be personal property under Section
- 1432 59-2-1503.
- 1433 (21) "Intangible property" means:
- 1434 (a) property that is capable of private ownership separate from tangible property,
- 1435 including:
- 1436 (i) money;
- 1437 (ii) credits;
- 1438 (iii) bonds;
- 1439 (iv) stocks;
- 1440 (v) representative property;
- 1441 (vi) franchises;
- 1442 (vii) licenses;
- 1443 (viii) trade names;
- 1444 (ix) copyrights; and
- 1445 (x) patents;
- 1446 (b) a low-income housing tax credit;
- 1447 (c) goodwill; or
- 1448 (d) a renewable energy tax credit or incentive, including:
- 1449 (i) a federal renewable energy production tax credit under Section 45, Internal Revenue
- 1450 Code;
- 1451 (ii) a federal energy credit for qualified renewable electricity production facilities under

1452 Section 48, Internal Revenue Code;

1453 (iii) a federal grant for a renewable energy property under American Recovery and
1454 Reinvestment Act of 2009, Pub. L. No. 111-5, Section 1603; and

1455 (iv) a tax credit under Subsection 59-7-614(5).

1456 (22) "Livestock" means:

1457 (a) a domestic animal;

1458 (b) a fish;

1459 (c) a fur-bearing animal;

1460 (d) a honeybee; or

1461 (e) poultry.

1462 (23) "Low-income housing tax credit" means:

1463 (a) a federal low-income housing tax credit under Section 42, Internal Revenue Code;

1464 or

1465 (b) a low-income housing tax credit under Section 59-7-607 or Section 59-10-1010.

1466 (24) "Metalliferous minerals" includes gold, silver, copper, lead, zinc, and uranium.

1467 (25) "Mine" means a natural deposit of either metalliferous or nonmetalliferous
1468 valuable mineral.

1469 (26) "Mining" means the process of producing, extracting, leaching, evaporating, or
1470 otherwise removing a mineral from a mine.

1471 (27) (a) "Mobile flight equipment" means tangible personal property that is owned or
1472 operated by an air charter service, air contract service, or airline and:

1473 (i) is capable of flight or is attached to an aircraft that is capable of flight; or

1474 (ii) is contained in an aircraft that is capable of flight if the tangible personal property
1475 is intended to be used:

1476 (A) during multiple flights;

1477 (B) during a takeoff, flight, or landing; and

1478 (C) as a service provided by an air charter service, air contract service, or airline.

1479 (b) (i) "Mobile flight equipment" does not include a spare part other than a spare
1480 engine that is rotated at regular intervals with an engine that is attached to the aircraft.

1481 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1482 commission may make rules defining the term "regular intervals."

1483 (28) "Nonmetalliferous minerals" includes, but is not limited to, oil, gas, coal, salts,
1484 sand, rock, gravel, and all carboniferous materials.

1485 (29) "Part-year residential property" means property that is not residential property on
1486 January 1 of a calendar year but becomes residential property after January 1 of the calendar
1487 year.

1488 (30) "Personal property" includes:

1489 (a) every class of property as defined in Subsection (31) that is the subject of
1490 ownership and is not real estate or an improvement;

1491 (b) any pipe laid in or affixed to land whether or not the ownership of the pipe is
1492 separate from the ownership of the underlying land, even if the pipe meets the definition of an
1493 improvement;

1494 (c) bridges and ferries;

1495 (d) livestock; and

1496 (e) outdoor advertising structures as defined in Section [72-7-502](#).

1497 (31) (a) "Property" means property that is subject to assessment and taxation according
1498 to its value.

1499 (b) "Property" does not include intangible property as defined in this section.

1500 (32) "Public utility" means:

1501 (a) for purposes of this chapter, the operating property of a railroad, gas corporation, oil
1502 or gas transportation or pipeline company, coal slurry pipeline company, electrical corporation,
1503 telephone corporation, sewerage corporation, or heat corporation where the company performs
1504 the service for, or delivers the commodity to, the public generally or companies serving the
1505 public generally, or in the case of a gas corporation or an electrical corporation, where the gas
1506 or electricity is sold or furnished to any member or consumers within the state for domestic,
1507 commercial, or industrial use; and

1508 (b) the operating property of any entity or person defined under Section [54-2-1](#) except
1509 water corporations.

1510 (33) (a) Subject to Subsection (33)(b), "qualifying exempt primary residential rental
1511 personal property" means household furnishings, furniture, and equipment that:

1512 (i) are used exclusively within a dwelling unit that is the primary residence of a tenant;

1513 (ii) are owned by the owner of the dwelling unit that is the primary residence of a

1514 tenant; and

1515 (iii) after applying the residential exemption described in Section 59-2-103, are exempt
1516 from taxation under this chapter in accordance with Subsection 59-2-1115(2).

1517 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1518 commission may by rule define the term "dwelling unit" for purposes of this Subsection (33)
1519 and Subsection (36).

1520 (34) "Real estate" or "real property" includes:

1521 (a) the possession of, claim to, ownership of, or right to the possession of land;

1522 (b) all mines, minerals, and quarries in and under the land, all timber belonging to
1523 individuals or corporations growing or being on the lands of this state or the United States, and
1524 all rights and privileges appertaining to these; and

1525 (c) improvements.

1526 (35) (a) "Relationship with an owner of the property's land surface rights" means a
1527 relationship described in Subsection 267(b), Internal Revenue Code, except that the term 25%
1528 shall be substituted for the term 50% in Subsection 267(b), Internal Revenue Code.

1529 (b) For purposes of determining if a relationship described in Subsection 267(b),
1530 Internal Revenue Code, exists, the ownership of stock shall be determined using the ownership
1531 rules in Subsection 267(c), Internal Revenue Code.

1532 (36) (a) Subject to Subsection (36)(b), "residential property," for purposes of the
1533 reductions and adjustments under this chapter, means any property used for residential
1534 purposes as a primary residence.

1535 (b) Subject to Subsection (36)(c), "residential property":

1536 (i) except as provided in Subsection (36)(b)(ii), includes household furnishings,
1537 furniture, and equipment if the household furnishings, furniture, and equipment are:

1538 (A) used exclusively within a dwelling unit that is the primary residence of a tenant;
1539 and

1540 (B) owned by the owner of the dwelling unit that is the primary residence of a tenant;
1541 and

1542 (ii) does not include property used for transient residential use.

1543 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1544 commission may by rule define the term "dwelling unit" for purposes of Subsection (33) and

1545 this Subsection (36).

1546 (37) "Split estate mineral rights owner" means a person that:

1547 (a) has a legal right to extract a mineral from property;

1548 (b) does not hold more than a 25% interest in:

1549 (i) the land surface rights of the property where the wellhead is located; or

1550 (ii) an entity with an ownership interest in the land surface rights of the property where
1551 the wellhead is located;

1552 (c) is not an entity in which the owner of the land surface rights of the property where
1553 the wellhead is located holds more than a 25% interest; and

1554 (d) does not have a relationship with an owner of the land surface rights of the property
1555 where the wellhead is located.

1556 (38) (a) "State-assessed commercial vehicle" means:

1557 (i) any commercial vehicle, trailer, or semitrailer that operates interstate or intrastate to
1558 transport passengers, freight, merchandise, or other property for hire; or

1559 (ii) any commercial vehicle, trailer, or semitrailer that operates interstate and transports
1560 the vehicle owner's goods or property in furtherance of the owner's commercial enterprise.

1561 (b) "State-assessed commercial vehicle" does not include vehicles used for hire that are
1562 specified in Subsection (9)(c) as county-assessed commercial vehicles.

1563 (39) "Subdivided lot" means a lot, parcel, or other division of land, that is a division of
1564 a base parcel.

1565 (40) "Taxable value" means fair market value less any applicable reduction allowed for
1566 residential property under Section [59-2-103](#).

1567 (41) "Tax area" means a geographic area created by the overlapping boundaries of one
1568 or more taxing entities.

1569 (42) "Taxing entity" means any county, city, town, school district, special taxing
1570 district, local district under Title 17B, Limited Purpose Local Government Entities - Local
1571 Districts, or other political subdivision of the state with the authority to levy a tax on property.

1572 (43) (a) "Tax roll" means a permanent record of the taxes charged on property, as
1573 extended on the assessment roll, and may be maintained on the same record or records as the
1574 assessment roll or may be maintained on a separate record properly indexed to the assessment
1575 roll.

- 1576 (b) "Tax roll" includes tax books, tax lists, and other similar materials.
- 1577 Section 21. Section **63I-2-211** is amended to read:
- 1578 **63I-2-211. Repeal dates -- Title 11.**
- 1579 (1) (a) Subsections 11-13-302(2)(a)(i) and (2)(b)(i), the language that states "or
- 1580 53A-17a-135.5, as applicable" is repealed July 1, 2023.
- 1581 (2) Section 11-13-310, the language that states "or 53A-17a-135.5, as applicable," is
- 1582 repealed July 1, 2023.
- 1583 (3) Title 11, Chapter 53, Residential Property Reimbursement, is repealed on January
- 1584 1, 2020.
- 1585 Section 22. Section **63I-2-253** is amended to read:
- 1586 **63I-2-253. Repeal dates -- Titles 53, 53A, and 53B.**
- 1587 (1) Section 53A-1-403.5 is repealed July 1, 2017.
- 1588 (2) Section 53A-1-411 is repealed July 1, 2017.
- 1589 (3) Section 53A-1-709 is repealed July 1, 2020.
- 1590 (4) Subsection 53A-1a-513(4) is repealed July 1, 2017.
- 1591 (5) Section 53A-1a-513.5 is repealed July 1, 2017.
- 1592 (6) Title 53A, Chapter 1a, Part 10, UPSTART, is repealed July 1, 2019.
- 1593 (7) Subsection 53A-2-118.4 (1)(c)(i), the language that states "or 53A-17a-135.5, as
- 1594 applicable" is repealed July 1, 2023.
- 1595 [~~7~~] (8) Title 53A, Chapter 8a, Part 8, Peer Assistance and Review Pilot Program, is
- 1596 repealed July 1, 2017.
- 1597 (9) Subsection 53A-17a-103(2)(a)(i), the language that states "or 53A-17a-135.5, as
- 1598 applicable" is repealed July 1, 2023.
- 1599 (10) Subsections 53A-17a-105(4) and (5), the language that states "or 53A-17a-135.5,
- 1600 as applicable," is repealed July 1, 2023.
- 1601 (11) Subsection 53A-17a-135(1)(b) is repealed July 1, 2023.
- 1602 (12) Subsection 53A-17a-135.1(3), the language that states "or 53A-17a-135.5, as
- 1603 applicable" is repealed July 1, 2023.
- 1604 (13) Section 53A-17a-135.5 is repealed July 1, 2023.
- 1605 (14) Section 53A-17a-135.6 is repealed July 1, 2023.
- 1606 (15) Subsection 53A-17a-143(1), the language that states "or 53A-17a-135.5, as

1607 applicable" is repealed July 1, 2023.

1608 [~~8~~] (16) Sections [53A-24-601](#) and [53A-24-602](#) are repealed January 1, 2018.

1609 [~~9~~] (17) (a) Subsections [53B-2a-103\(2\)](#) and (4) are repealed July 1, 2019.

1610 (b) When repealing Subsections [53B-2a-103\(2\)](#) and (4), the Office of Legislative
1611 Research and General Counsel shall, in addition to its authority under Subsection [36-12-12\(3\)](#),
1612 make necessary changes to subsection numbering and cross references.

1613 [~~10~~] (18) Title 53B, Chapter 18, Part 14, Uintah Basin Air Quality Research Project,
1614 is repealed July 1, 2023.

1615 (19) On July 1, 2023, when making changes in this section, the Office of Legislative
1616 Research and General Counsel shall:

1617 (a) in addition to its authority under Subsection [36-12-12\(3\)](#), make corrections
1618 necessary to ensure that sections and subsections identified in this section are complete
1619 sentences and accurately reflect the office's perception of the Legislature's intent; and

1620 (b) identify the text of the affected sections and subsections based upon the section and
1621 subsection numbers used in this bill.

1622 Section 23. Section **63I-2-259** is amended to read:

1623 **63I-2-259. Repeal dates -- Title 59.**

1624 (1) Subsection [59-2-102\(8\)\(a\)\(i\)](#), the language that states "or [53A-17a-135.5](#), as
1625 applicable" is repealed July 1, 2023.

1626 [~~1~~] (2) Subsection [59-2-919\(10\)](#) is repealed December 31, 2015.

1627 [~~2~~] (3) Subsection [59-2-919.1\(4\)](#) is repealed December 31, 2015.

1628 [~~3~~] (4) Subsection [59-2-1007\(14\)](#) is repealed on December 31, 2018.

1629 Section 24. **Effective date.**

1630 This bill takes effect on January 1, 2018.

1631 Section 25. **Revisor instructions.**

1632 The Legislature intends that the Office of Legislative Research and General Counsel, in
1633 preparing the Utah Code database for publication, replace the language in Subsection
1634 [63I-2-253\(19\)\(b\)](#) from "this bill" to the bill's designated chapter number in the Laws of Utah.