

## SB0255S04 compared with SB0255S03

~~text~~ shows text that was in SB0255S03 but was deleted in SB0255S04.

Inserted text shows text that was not in SB0255S03 but was inserted into SB0255S04.

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Senator ~~Lincoln Fillmore~~ Howard A. Stephenson proposes the following substitute bill:

### FUNDING FOR EDUCATION SYSTEMS AMENDMENTS

2017 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Howard A. Stephenson**

House Sponsor: \_\_\_\_\_

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#### 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

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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
  - a board local levy;
- ▶ amends ~~{for a five-year period }~~ the calculation of the school minimum basic tax rate;
- ▶ exempts in certain circumstances the school minimum basic tax rate from certain public notice requirements;
- ▶ establishes the Local Levy Growth Account;
- ▶ provides a repeal date; and
- ▶ makes technical and conforming changes.

### Money Appropriated in this Bill:

None

### Other Special Clauses:

This bill provides ~~{a special effective date:~~

~~————— This bill provides revisor instructions}~~ retrospective operation.

### Utah Code Sections Affected:

AMENDS:

~~{————— 11-13-302, as last amended by Laws of Utah 2015, Chapter 287~~

~~————— 11-13-310, as last amended by Laws of Utah 2003, Chapter 21~~

‡ 53A-1a-513, as last amended by Laws of Utah 2016, Chapter 229

~~{————— 53A-2-118.4, as last amended by Laws of Utah 2015, Chapter 428~~

‡ 53A-2-206, as last amended by Laws of Utah 2012, Chapter 398

~~{————— 53A-17a-103, as last amended by Laws of Utah 2016, Chapter 367~~

‡ 53A-17a-105, as last amended by Laws of Utah 2016, Chapter 229

53A-17a-133, as last amended by Laws of Utah 2016, Chapters 2, 350, and 367

53A-17a-134, as last amended by Laws of Utah 2013, Chapter 178

53A-17a-135, as last amended by Laws of Utah 2016, Chapter 2

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53A-17a-135.1, as enacted by Laws of Utah 2015, Chapter 287

53A-17a-136, as last amended by Laws of Utah 2011, Chapter 371

~~{ 53A-17a-143, as last amended by Laws of Utah 2011, Chapter 371~~

‡ 53A-17a-146, as last amended by Laws of Utah 2011, Chapters 371 and 381

53A-17a-164, as last amended by Laws of Utah 2016, Chapters 229, 350, and 367

53A-19-102, as last amended by Laws of Utah 2016, Chapter 363

~~{ 59-2-102, as last amended by Laws of Utah 2016, Chapters 98, 308, 367, and 368~~

~~63I-2-211, as enacted by Laws of Utah 2015, Chapter 250~~

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

~~63I-2-259, as last amended by Laws of Utah 2015, Chapter 139~~

‡ENACTS:

53A-17a-133.5, Utah Code Annotated 1953

53A-17a-135.~~{5}2~~, Utah Code Annotated 1953

~~{ 53A-17a-135.6, Utah Code Annotated 1953~~

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

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

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

Section 1. Section ~~{11-13-302}~~53A-1a-513 is amended to read:

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

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

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

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

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

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

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

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

~~—— (i) a levy mandated by the state for the state minimum school program under Section 53A-17a-135 or 53A-17a-135.5, as applicable; and~~

~~—— (ii) local levies for capital outlay and other purposes under Sections 53A-16-113, 53A-17a-133, and 53A-17a-164.~~

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

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

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

~~—— (A) an annual fee; or~~

~~—— (B) impact alleviation payments under contracts or determination orders provided for in Sections 11-13-305 and 11-13-306.~~

~~—— (3) (a) An annual fee due a taxing jurisdiction for a particular year shall be calculated~~

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~~by multiplying the tax rate or rates of the jurisdiction for that year by the product obtained by multiplying the fee base or value determined in accordance with Subsection (4) for that year of the portion of the project located within the jurisdiction by the percentage of the project which is used to produce the capacity, service, or other benefit sold to the energy supplier or suppliers.~~

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

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

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

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

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

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

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

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

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

~~—— (A) the project entity; and~~

~~—— (B) any county that:~~

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

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

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

~~—— (A) shall specify each year for which the fee base determined by the agreement shall be~~

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~~used for purposes of an annual fee; and~~

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

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

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

~~—— (I) for that year; and~~

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

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

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

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

~~—— (ii) revenues derived by the project entity from the project.~~

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

~~—— (ii) It is the responsibility of the project entity to enforce the obligations of the purchasers:~~

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

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

~~—— (c) The project entity or any purchaser may contest the validity of an annual fee to the~~

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same extent as if the payment was a payment of the ad valorem property tax itself.

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

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

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

~~—— (A) is not a project entity; and~~

~~—— (B) owns an interest in a facility providing additional project capacity if the interest is otherwise exempt from taxation pursuant to Utah Constitution, Article XIII, Section 3; and~~

~~—— (ii) for a public agency described in Subsection (6)(a)(i), shall be calculated in accordance with Subsection (6)(b):~~

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

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

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

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

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

~~—— Section 2. Section **11-13-310** is amended to read:~~

~~—— **11-13-310. Termination of impact alleviation contract.**~~

~~—— If the project or any part of it or the facilities providing additional project capacity or any part of them, or the output from the project or facilities providing additional project capacity become subject, in addition to the requirements of Section 11-13-302, to ad valorem property taxation or other payments in lieu of ad valorem property taxation, or other form of tax equivalent payments to any candidate which is a party to an impact alleviation contract with respect to the project or facilities providing additional project capacity or is receiving impact alleviation payments or means with respect to the project or facilities providing additional~~

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~~project capacity pursuant to a determination by the board, then the impact alleviation contract or the requirement to make impact alleviation payments or provide means therefor pursuant to the determination, as the case may be, shall, at the election of the candidate, terminate. In any event, each impact alleviation contract or determination order shall terminate upon the project, or, in the case of facilities providing additional project capacity, those facilities becoming subject to the provisions of Section 11-13-302, except that no impact alleviation contract or agreement entered by a school district shall terminate because of in lieu ad valorem property tax fees levied under Subsection 11-13-302(2)(b)(i) or because of ad valorem property taxes levied under Section 53A-17a-135 or 53A-17a-135.5, as applicable, for the state minimum school program. In addition, if the construction of the project, or, in the case of facilities providing additional project capacity, of those facilities, is permanently terminated for any reason, each impact alleviation contract and determination order, and the payments and means required thereunder, shall terminate. No termination of an impact alleviation contract or determination order may terminate or reduce any liability previously incurred pursuant to the contract or determination order by the candidate beneficiary under it. If the provisions of Section 11-13-302, or its successor, are held invalid by a court of competent jurisdiction, and no ad valorem taxes or other form of tax equivalent payments are payable, the remaining provisions of this chapter shall continue in operation without regard to the commencement of commercial operation of the last generating unit of that project or of facilities providing additional project capacity.~~

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

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

(1) As used in this section:

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

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

~~(c)~~ (c) "Charter school students' average local revenues" means the amount determined as follows:

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

(ii) sum the district per pupil local revenues for each student enrolled in a charter



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school on the previous October 1; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(i) based on the higher of:

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

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

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

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

(i) .55 for kindergarten pupils;

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

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

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

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

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

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

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

(b) The State Board of Education shall:

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

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Program Act; and

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

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

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

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

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

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

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

(B) statewide average debt service revenues.

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

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

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

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

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

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

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

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

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

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

(B) statewide average debt service revenues.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section ~~{4}~~2. Section ~~{53A-2-118.4}~~53A-2-206 is amended to read:

~~{~~ ~~53A-2-118.4. Property tax levies in new district and remaining district=~~  
~~Distribution of property tax revenue.~~

~~\_\_\_\_\_ (1) As used in this section:~~

~~\_\_\_\_\_ (a) "Divided school district" or "existing district" means a school district from which a new district is created.~~

~~\_\_\_\_\_ (b) "New district" means a school district created under Section 53A-2-118.1 after May 10, 2011.~~

~~\_\_\_\_\_ (c) "Property tax levy" means a property tax levy that a school district is authorized to~~

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impose, except:

~~—— (i) the minimum basic rate imposed under Section 53A-17a-135 or 53A-17a-135.5, as applicable;~~

~~—— (ii) a debt service levy imposed under Section 11-14-310; or~~

~~—— (iii) a judgment levy imposed under Section 59-2-1330.~~

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

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

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

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

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

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

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

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

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

~~—— (6) (a) Subject to the notice and public hearing requirements of Section 59-2-919, a new district or remaining district may set a property tax rate higher than the rate required by~~

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~~Subsection (3), up to:~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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school's governing board.

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

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

(B) 328 foreign exchange students.

(ii) The State Board of Education shall make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to administer the cap on the number of foreign exchange students that may be counted for the purpose of apportioning state money under Subsection (2)(b).

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

(3) A school district or charter school may:

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

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

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

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

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

(b) The affidavit shall include the following assurances:



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- (i) that the agency has complied with all applicable policies of the board;
  - (ii) that a household study, including a background check of all adult residents, has been made of each household where an exchange student is to reside, and that the study was of sufficient scope to provide reasonable assurance that the exchange student will receive proper care and supervision in a safe environment;
  - (iii) that host parents have received training appropriate to their positions, including information about enhanced criminal penalties under Subsection 76-5-406(10) for persons who are in a position of special trust;
  - (iv) that a representative of the exchange student agency shall visit each student's place of residence at least once each month during the student's stay in Utah;
  - (v) that the agency will cooperate with school and other public authorities to ensure that no exchange student becomes an unreasonable burden upon the public schools or other public agencies;
  - (vi) that each exchange student will be given in the exchange student's native language names and telephone numbers of agency representatives and others who could be called at any time if a serious problem occurs; and
  - (vii) that alternate placements are readily available so that no student is required to remain in a household if conditions appear to exist which unreasonably endanger the student's welfare.
- (7) (a) A local school board or charter school governing board shall provide each approved exchange student agency with a list of names and telephone numbers of individuals not associated with the agency who could be called by an exchange student in the event of a serious problem.
- (b) The agency shall make a copy of the list available to each of its exchange students in the exchange student's native language.
- (8) Notwithstanding Subsection (2)(c)(i), a school district or charter school shall enroll a foreign exchange student if the foreign exchange student:
- (a) is sponsored by an agency approved by the State Board of Education;
  - (b) attends the same school during the same time period that another student from the school is:
    - (i) sponsored by the same agency; and

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- (ii) enrolled in a school in a foreign country; and
- (c) is enrolled in the school for one year or less.

Section ~~{6}~~3. Section ~~{53A-17a-103}~~53A-17a-105 is amended to read:

### ~~{~~ 53A-17a-103. Definitions.

~~As used in this chapter:~~

~~(1) "Basic state-supported school program" or "basic program" means public education programs for kindergarten, elementary, and secondary school students that are operated and maintained for the amount derived by multiplying the number of weighted pupil units for each school district or charter school by the value established each year in statute, except as otherwise provided in this chapter.~~

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

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

~~(ii) the product of:~~

~~(A) eligible new growth, as defined in Section 59-2-924 and rules of the State Tax Commission; and~~

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

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

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

~~(ii) semiconductor manufacturing equipment.~~

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

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

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

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~~—— (iii) the taxable year end value of personal property assessed by a county assessor contained on the prior year's assessment roll:~~

~~—— (3) "Pupil in average daily membership (ADM)" means a full-day equivalent pupil:~~

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

~~—— (b) The minimum school program established in school districts and charter schools shall include the equivalent of a school term of nine months as determined by the State Board of Education:~~

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

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

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

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

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

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

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

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

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

- ~~— (i) Basic School Program;~~
- ~~— (ii) Related to Basic Programs;~~
- ~~— (iii) Voted and Board Levy Programs; or~~
- ~~— (iv) Minimum School Program.~~

~~— (5) "Weighted pupil unit or units or WPU or WPU's" means the unit of measure of factors that is computed in accordance with this chapter for the purpose of determining the costs of a program on a uniform basis for each district.~~

~~— Section 7. Section 53A-17a-105 is amended to read:~~

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

(1) For purposes of this section:

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

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

Sec. 6301 et seq.

(c) "LEA" means:

(i) a school district; or

(ii) a charter school.

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

(i) Basic Program;

(ii) Related to Basic Programs;

(iii) Voted and Board Levy Programs; or

(iv) Minimum School Program.

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

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

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described in Subsection (3)(a):

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

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

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

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

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

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

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

(5) If local contributions from the minimum basic tax rate imposed under Section 53A-17a-135 ~~{or 53A-17a-135.5, as applicable, }~~ are underestimated, the board shall:

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

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

(6) Except as provided in Subsection (3) or (5), the board shall reduce the guarantee

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per weighted pupil unit as described in Section 53A-17a-133.5 provided under the voted local levy program established in Section 53A-17a-133 or board local levy program established in Section 53A-17a-164, if:

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

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

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

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

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

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

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

(8) Money appropriated to the board is nonlapsing.

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

Section ~~(8)~~4. Section **53A-17a-133** is amended to read:

**53A-17a-133. Voted local levy -- Election requirements -- Reconsideration of the program.**

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

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

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

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

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

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

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

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

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

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

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

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

~~[(d)(i) The amount of state guarantee money to which a school district would~~

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~~otherwise be entitled to receive under this Subsection (4) may not be reduced for the sole reason that the district's levy is reduced as a consequence of changes in the certified tax rate under Section 59-2-924 pursuant to changes in property valuation.]~~

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

~~[(c) The guarantee provided under this section does not apply to the portion of a voted local levy rate that exceeds the voted local levy rate that was in effect for the previous fiscal year, unless an increase in the voted local levy rate was authorized in an election conducted on or after July 1 of the previous fiscal year and before December 2 of the previous fiscal year.]~~

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

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

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

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

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

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

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

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

(a) (i) 10% of the electors of the school district who voted at the last preceding general



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election sign an initiative petition; and

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

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

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

(b) A majority vote opposing a modification does not deprive the ~~[district]~~ local school board of authority to continue the voted local levy.

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

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

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

(a) the voted local levy is approved:

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

and

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

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

~~(7)~~ (6) Notwithstanding Section 59-2-919, a local school ~~[district]~~ board may levy a

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voted local levy tax rate under this section that exceeds the certified tax rate without having to comply with the notice requirements of Section 59-2-919 if:

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

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

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

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

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

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

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

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

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

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

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

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

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

~~[(10)]~~ (9) If a local school [district] board determines that a majority of the school district's registered voters voting on the imposition of the voted local levy tax rate have voted in favor of the imposition of the tax rate in accordance with Subsection ~~[(9)]~~ (8), the local school [district may] board may impose the tax rate.

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

Section ~~{9}~~5. Section **53A-17a-133.5** is enacted to read:

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

(1) As used in this section:

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

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

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

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

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

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

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

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

(ii) "Voted and board local levy funding balance" does not include appropriations

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described in Subsection (2)(b)(i).

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

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

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

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

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

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

(b) (i) Subject to future budget constraints and Subsection (2)(c), the Legislature shall annually appropriate money from the Local Levy Growth Account established in Section 53A-17a-135. ~~6~~2 to increase the number of guaranteed local levy increments in accordance with Subsection (2)(b)(ii).

(ii) The State Board of Education shall, for a fiscal year beginning on or after July 1, ~~2018~~2017, and subject to Subsection (2)(c), allocate funds appropriated under Subsection (2)(b)(i) in the following order of priority by increasing:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(ii) prepare and submit a written report of the audit in accordance with Subsection

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36-12-15(4)(b)(ii).

(b) The audit shall include:

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

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

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

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

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

Section ~~10~~6. Section **53A-17a-134** is amended to read:

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

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

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

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

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

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

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

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

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pursuant to changes in property valuation.

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

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

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

(ii) the portion of a board-authorized leeway rate that is in excess of the board-authorized leeway rate that was in effect for the previous fiscal year.

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

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

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

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

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

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

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

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

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

Section ~~{H}~~7. Section **53A-17a-135** is amended to read:

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

(1) ~~{a}~~ As used in this section ~~[-]~~:

(a) "~~{basic}~~Basic levy increment rate" means a tax rate that will generate an amount of revenue equal to \$75,000,000.

(b) ~~{The provisions of this section are not in effect}~~"Fixed minimum rate" means a tax rate that will generate an amount of revenue equal to:

(i) for a fiscal year that begins ~~{July 1, 2018, 2019, 2020, 2021, or 2022}~~

~~{(2) (a) In}~~ on July 1, 2017, \$22,000,000;

(ii) for a fiscal year that begins on July 1, 2018, \$44,000,000;

(iii) for a fiscal year that begins on July 1, 2019, \$66,000,000;

(iv) for a fiscal year that begins on July 1, 2020, \$88,000,000; or

(v) for a fiscal year that begins on or after July 1, 2021, \$110,000,000.

(2) (a) ~~{In}~~ Except as provided in Subsection (3), in order to qualify for receipt of the state contribution toward the basic program and as [its] the school district's contribution toward [its] the costs of the basic program, each school district shall impose a minimum basic tax rate per dollar of taxable value that generates \$392,266,800 in revenues statewide.

(b) ~~{The}~~ Except as provided in Subsection (3), the preliminary estimate for the 2016-17 minimum basic tax rate is .001695.

(c) ~~{The}~~ Except as provided in Subsection (3), the State Tax Commission shall certify on or before June 22 the rate that generates \$392,266,800 in revenues statewide.

(d) ~~{If}~~ Except as provided in Subsection (3), if the minimum basic tax rate exceeds the certified revenue levy as defined in Section 53A-17a-103, the state is subject to the notice requirements of Section 59-2-926.

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

~~{(i)}~~ For a fiscal year that begins on July 1, 2017, 2018, 2019, 2020, or 2021, the minimum basic tax rate is the greater of:



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(i) the certified revenue levy; or

(ii) a tax rate of .001675.

(b) On or before June 22, the State Tax Commission shall certify the tax rate to be imposed under Subsection ~~(2)~~; and

~~(3)~~(a), which generates an estimated \$421,041,300 in revenues statewide consisting of:

(i) the minimum basic tax rate;

(ii) the basic levy increment rate ~~(.1)~~; and

(iii) the fixed minimum rate.

(c) If under this Subsection (3) the minimum basic tax rate exceeds the certified revenue levy, the state is not subject to the notice requirements of Section 59-2-926.

~~(3)~~ (4) (a) The state shall contribute to each district toward the cost of the basic program in the district that portion which exceeds the proceeds of the difference between:

(i) the minimum basic tax rate to be imposed under Subsection (2) or (3) as applicable;

and

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

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

~~(4)~~(5) (a) If the difference described in Subsection ~~(3)~~(4)(a) equals or exceeds the cost of the basic program in a school district, no state contribution shall be made to the basic program.

(b) The proceeds of the difference described in Subsection ~~(3)~~(4)(a) that exceed the cost of the basic program shall be paid into the Uniform School Fund as provided by law.

~~(5)~~(6) The State Board of Education shall:

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

(b) deposit the money described in Subsection ~~(5)~~(6)(a) into the Minimum Basic Growth Account created in Section 53A-17a-135.1.

(7) The State Board of Education shall:

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(a) deduct from state funds that a school district is authorized to receive under this chapter an amount equal to the proceeds generated within the school district by the fixed minimum rate; and

(b) deposit the money described in Subsection (7)(a) into the Local Levy Growth Account created in Section 53A-17a-135.2.

Section ~~{12}~~8. Section **53A-17a-135.1** is amended to read:

### **53A-17a-135.1. Minimum Basic Growth Account.**

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

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

(3) The account shall be funded by amounts deposited into the account in accordance with Section 53A-17a-135 ~~{ or 53A-17a-135.5, as applicable }~~.

(4) The account shall earn interest.

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

(6) Upon appropriation by the Legislature:

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

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

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

Section ~~{13}~~9. Section **53A-17a-135.5** ~~{2}~~ is enacted to read:

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

~~**(1) (a) As used in this section:**~~

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

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

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

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

~~—— (b) The minimum basic rate is the greater of:~~

~~—— (i) the certified revenue levy; or~~

~~—— (ii) a tax rate of .0016.~~

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

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

~~—— (ii) the basic levy increment rate; and~~

~~—— (iii) the fixed minimum rate.~~

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

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

~~—— (ii) the sum of the basic levy increment rate and the fixed minimum rate.~~

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

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

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

~~—— (5) The State Board of Education shall:~~

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

~~— (b) deposit the money described in Subsection (5)(a) into the Minimum Basic Growth Account created in Section 53A-17a-135.1.~~

~~— (6) The State Board of Education shall:~~

~~— (a) deduct from state funds that a school district is authorized to receive under this chapter an amount equal to the proceeds generated within the school district by the fixed minimum rate; and~~

~~— (b) deposit the money described in Subsection (6)(a) into the Local Levy Growth Account created in Section 53A-17a-135.6.~~

~~— Section 14. Section 53A-17a-135.6 is enacted to read:~~

~~— 53A-17a-135.116<sup>2</sup>. Local Levy Growth Account.~~

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

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

(3) The account shall be funded by:

(a) amounts deposited into the account in accordance with Section 53A-17a-135.5;

and

(b) other legislative appropriations.

(4) The account shall earn interest.

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

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

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

Section ~~{15}~~<sup>10</sup>. Section **53A-17a-136** is amended to read:

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

(1) The total cost of operation and maintenance of the minimum school program in the

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state is divided between the state and school districts as follows:

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

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

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

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

(a) the basic program; and [to]

(b) (i) the levy programs provided in Section 53A-17a-133 or 53A-17a-164[-]; and

(ii) the state guarantee of the levy programs as described in Section 53A-17a-133.5.

Section ~~{16}~~11. Section ~~{53A-17a-143}~~53A-17a-146 is amended to read:

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

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

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

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

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

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

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

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

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

~~(c)~~ (b) the appropriation to charter schools to replace local property tax revenues pursuant to Section 53A-1a-513.

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

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

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

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

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

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

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

Section ~~(18)~~12. Section **53A-17a-164** is amended to read:

### **53A-17a-164. Board local levy.**

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

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

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

(i) the rate imposed by a local school board under Subsection ~~(1)~~ (2); and  
(ii) the charter school levy rate, described in Section 53A-1a-513.1, for the local school board's school district.

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

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

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

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

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

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

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

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

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

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

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

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

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



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

Section ~~{19}~~13. Section **53A-19-102** is amended to read:

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

(1) As used in this section:

(a) "Budget officer" means:

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

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

(b) "Governing board" means:

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

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

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

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

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

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

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

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

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

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

(c) A notice of a public hearing on a school district's proposed budget shall include

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information on how the public may access the proposed budget as provided in Subsections (3)(b)(iii) and (iv).

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

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

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

~~**59-2-102. Definitions.**~~

~~As used in this chapter and title:~~

~~(1) "Aerial applicator" means aircraft or rotorcraft used exclusively for the purpose of engaging in dispensing activities directly affecting agriculture or horticulture with an airworthiness certificate from the Federal Aviation Administration certifying the aircraft or rotorcraft's use for agricultural and pest control purposes.~~

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

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

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

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

~~(i) operates:~~

~~(A) on an interstate route; and~~

~~(B) on a scheduled basis; and~~

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

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

~~(i) air charter service; or~~

~~(ii) air contract service.~~

~~(6) "Assessment roll" means a permanent record of the assessment of property as assessed by the county assessor and the commission and may be maintained manually or as a~~

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~~computerized file as a consolidated record or as multiple records by type, classification, or categories.~~

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

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

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

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

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

~~—— (i) the amount of ad valorem property tax revenue to be generated statewide in the previous year from imposing a school minimum basic tax rate, as specified in Section 53A-17a-135 or 53A-17a-135.5, as applicable, or multicounty assessing and collecting levy, as specified in Section 59-2-1602; and~~

~~—— (ii) the product of:~~

~~—— (A) eligible new growth, as defined in Section 59-2-924; and~~

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

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

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

~~—— (ii) semiconductor manufacturing equipment.~~

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

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

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

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

~~—— (9) "County-assessed commercial vehicle" means:~~

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

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- ~~—— (b) any passenger vehicle owned by a business and used by its employees for transportation as a company car or vanpool vehicle; and~~
- ~~—— (c) vehicles that are:~~
  - ~~—— (i) especially constructed for towing or wrecking, and that are not otherwise used to transport goods, merchandise, or people for compensation;~~
  - ~~—— (ii) used or licensed as taxicabs or limousines;~~
  - ~~—— (iii) used as rental passenger cars, travel trailers, or motor homes;~~
  - ~~—— (iv) used or licensed in this state for use as ambulances or hearses;~~
  - ~~—— (v) especially designed and used for garbage and rubbish collection; or~~
  - ~~—— (vi) used exclusively to transport students or their instructors to or from any private, public, or religious school or school activities;~~
- ~~—— (10) (a) Except as provided in Subsection (10)(b), for purposes of Section 59-2-801, "designated tax area" means a tax area created by the overlapping boundaries of only the following taxing entities:~~
  - ~~—— (i) a county; and~~
  - ~~—— (ii) a school district.~~
- ~~—— (b) "Designated tax area" includes a tax area created by the overlapping boundaries of the taxing entities described in Subsection (10)(a) and:~~
  - ~~—— (i) a city or town if the boundaries of the school district under Subsection (10)(a) and the boundaries of the city or town are identical; or~~
  - ~~—— (ii) a special service district if the boundaries of the school district under Subsection (10)(a) are located entirely within the special service district.~~
- ~~—— (11) "Eligible judgment" means a final and unappealable judgment or order under Section 59-2-1330:~~
  - ~~—— (a) that became a final and unappealable judgment or order no more than 14 months before the day on which the notice described in Section 59-2-919.1 is required to be provided; and~~
  - ~~—— (b) for which a taxing entity's share of the final and unappealable judgment or order is greater than or equal to the lesser of:~~
    - ~~—— (i) \$5,000; or~~
    - ~~—— (ii) 2.5% of the total ad valorem property taxes collected by the taxing entity in the~~

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~~previous fiscal year.~~

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

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

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

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

~~—— (b) "Escaped property" does not include property that is undervalued because of the use of a different valuation methodology or because of a different application of the same valuation methodology.~~

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

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

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

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

~~—— (16) "Geothermal resource" means:~~

~~—— (a) the natural heat of the earth at temperatures greater than 120 degrees centigrade;~~

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and

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

~~—— (17) (a) "Goodwill" means:~~

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

~~—— (ii) the ability of a business to:~~

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

~~—— (B) obtain an economic or competitive advantage resulting from a factor described in Subsection (17)(b).~~

~~—— (b) The following factors apply to Subsection (17)(a)(ii):~~

~~—— (i) superior management skills;~~

~~—— (ii) reputation;~~

~~—— (iii) customer relationships;~~

~~—— (iv) patronage; or~~

~~—— (v) a factor similar to Subsections (17)(b)(i) through (iv).~~

~~—— (c) "Goodwill" does not include:~~

~~—— (i) the intangible property described in Subsection (21)(a) or (b);~~

~~—— (ii) locational attributes of real property, including:~~

~~—— (A) zoning;~~

~~—— (B) location;~~

~~—— (C) view;~~

~~—— (D) a geographic feature;~~

~~—— (E) an easement;~~

~~—— (F) a covenant;~~

~~—— (G) proximity to raw materials;~~

~~—— (H) the condition of surrounding property; or~~

~~—— (I) proximity to markets;~~

~~—— (iii) value attributable to the identification of an improvement to real property, including:~~

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- ~~—— (A) reputation of the designer, builder, or architect of the improvement;~~
- ~~—— (B) a name given to, or associated with, the improvement; or~~
- ~~—— (C) the historic significance of an improvement; or~~
- ~~—— (iv) the enhancement or assemblage value specifically attributable to the interrelation of the existing tangible property in place working together as a unit.~~
- ~~—— (18) "Governing body" means:~~
  - ~~—— (a) for a county, city, or town, the legislative body of the county, city, or town;~~
  - ~~—— (b) for a local district under Title 17B, Limited Purpose Local Government Entities = Local Districts, the local district's board of trustees;~~
  - ~~—— (c) for a school district, the local board of education; or~~
  - ~~—— (d) for a special service district under Title 17D, Chapter 1, Special Service District Act:~~
    - ~~—— (i) the legislative body of the county or municipality that created the special service district, to the extent that the county or municipal legislative body has not delegated authority to an administrative control board established under Section 17D-1-301; or~~
    - ~~—— (ii) the administrative control board, to the extent that the county or municipal legislative body has delegated authority to an administrative control board established under Section 17D-1-301.~~
- ~~—— (19) (a) For purposes of Section 59-2-103:~~
  - ~~—— (i) "household" means the association of individuals who live in the same dwelling, sharing its furnishings, facilities, accommodations, and expenses; and~~
  - ~~—— (ii) "household" includes married individuals, who are not legally separated, that have established domiciles at separate locations within the state.~~
- ~~—— (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules defining the term "domicile."~~
- ~~—— (20) (a) Except as provided in Subsection (20)(c), "improvement" means a building, structure, fixture, fence, or other item that is permanently attached to land, regardless of whether the title has been acquired to the land, if:~~
  - ~~—— (i) (A) attachment to land is essential to the operation or use of the item; and~~
  - ~~—— (B) the manner of attachment to land suggests that the item will remain attached to the land in the same place over the useful life of the item; or~~

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- ~~—— (ii) removal of the item would:~~
- ~~—— (A) cause substantial damage to the item; or~~
- ~~—— (B) require substantial alteration or repair of a structure to which the item is attached.~~
- ~~—— (b) "Improvement" includes:~~
- ~~—— (i) an accessory to an item described in Subsection (20)(a) if the accessory is:~~
- ~~—— (A) essential to the operation of the item described in Subsection (20)(a); and~~
- ~~—— (B) installed solely to serve the operation of the item described in Subsection (20)(a);~~
- ~~and~~
- ~~—— (ii) an item described in Subsection (20)(a) that is temporarily detached from the land for repairs and remains located on the land.~~
- ~~—— (c) "Improvement" does not include:~~
- ~~—— (i) an item considered to be personal property pursuant to rules made in accordance with Section 59-2-107;~~
- ~~—— (ii) a moveable item that is attached to land for stability only or for an obvious temporary purpose;~~
- ~~—— (iii) (A) manufacturing equipment and machinery; or~~
- ~~—— (B) essential accessories to manufacturing equipment and machinery;~~
- ~~—— (iv) an item attached to the land in a manner that facilitates removal without substantial damage to the land or the item; or~~
- ~~—— (v) a transportable factory-built housing unit as defined in Section 59-2-1502 if that transportable factory-built housing unit is considered to be personal property under Section 59-2-1503.~~
- ~~—— (21) "Intangible property" means:~~
- ~~—— (a) property that is capable of private ownership separate from tangible property; including:~~
- ~~—— (i) money;~~
- ~~—— (ii) credits;~~
- ~~—— (iii) bonds;~~
- ~~—— (iv) stocks;~~
- ~~—— (v) representative property;~~
- ~~—— (vi) franchises;~~



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- ~~—— (vii) licenses;~~
- ~~—— (viii) trade names;~~
- ~~—— (ix) copyrights; and~~
- ~~—— (x) patents;~~
- ~~—— (b) a low-income housing tax credit;~~
- ~~—— (c) goodwill; or~~
- ~~—— (d) a renewable energy tax credit or incentive, including:~~
  - ~~—— (i) a federal renewable energy production tax credit under Section 45, Internal Revenue Code;~~
  - ~~—— (ii) a federal energy credit for qualified renewable electricity production facilities under Section 48, Internal Revenue Code;~~
  - ~~—— (iii) a federal grant for a renewable energy property under American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, Section 1603; and~~
  - ~~—— (iv) a tax credit under Subsection 59-7-614(5).~~
- ~~—— (22) "Livestock" means:~~
  - ~~—— (a) a domestic animal;~~
  - ~~—— (b) a fish;~~
  - ~~—— (c) a fur-bearing animal;~~
  - ~~—— (d) a honeybee; or~~
  - ~~—— (e) poultry.~~
- ~~—— (23) "Low-income housing tax credit" means:~~
  - ~~—— (a) a federal low-income housing tax credit under Section 42, Internal Revenue Code;~~  
~~or~~  - ~~—— (b) a low-income housing tax credit under Section 59-7-607 or Section 59-10-1010.~~
- ~~—— (24) "Metalliferous minerals" includes gold, silver, copper, lead, zinc, and uranium.~~
- ~~—— (25) "Mine" means a natural deposit of either metalliferous or nonmetalliferous valuable mineral.~~
- ~~—— (26) "Mining" means the process of producing, extracting, leaching, evaporating, or otherwise removing a mineral from a mine.~~
- ~~—— (27) (a) "Mobile flight equipment" means tangible personal property that is owned or operated by an air charter service, air contract service, or airline and:~~

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- ~~—— (i) is capable of flight or is attached to an aircraft that is capable of flight; or~~
- ~~—— (ii) is contained in an aircraft that is capable of flight if the tangible personal property is intended to be used:
  - ~~—— (A) during multiple flights;~~
  - ~~—— (B) during a takeoff, flight, or landing; and~~
  - ~~—— (C) as a service provided by an air charter service, air contract service, or airline.~~~~
- ~~—— (b) (i) "Mobile flight equipment" does not include a spare part other than a spare engine that is rotated at regular intervals with an engine that is attached to the aircraft.~~
- ~~—— (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules defining the term "regular intervals."~~
- ~~—— (28) "Nonmetalliferous minerals" includes, but is not limited to, oil, gas, coal, salts, sand, rock, gravel, and all carboniferous materials.~~
- ~~—— (29) "Part-year residential property" means property that is not residential property on January 1 of a calendar year but becomes residential property after January 1 of the calendar year.~~
- ~~—— (30) "Personal property" includes:
  - ~~—— (a) every class of property as defined in Subsection (31) that is the subject of ownership and is not real estate or an improvement;~~
  - ~~—— (b) any pipe laid in or affixed to land whether or not the ownership of the pipe is separate from the ownership of the underlying land, even if the pipe meets the definition of an improvement;~~
  - ~~—— (c) bridges and ferries;~~
  - ~~—— (d) livestock; and~~
  - ~~—— (e) outdoor advertising structures as defined in Section 72-7-502.~~~~
- ~~—— (31) (a) "Property" means property that is subject to assessment and taxation according to its value.~~
- ~~—— (b) "Property" does not include intangible property as defined in this section.~~
- ~~—— (32) "Public utility" means:
  - ~~—— (a) for purposes of this chapter, the operating property of a railroad, gas corporation, oil or gas transportation or pipeline company, coal slurry pipeline company, electrical corporation, telephone corporation, sewerage corporation, or heat corporation where the company performs~~~~

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~~the service for, or delivers the commodity to, the public generally or companies serving the public generally, or in the case of a gas corporation or an electrical corporation, where the gas or electricity is sold or furnished to any member or consumers within the state for domestic, commercial, or industrial use; and~~

~~—— (b) the operating property of any entity or person defined under Section 54-2-1 except water corporations:~~

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

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

~~—— (ii) are owned by the owner of the dwelling unit that is the primary residence of a tenant; and~~

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

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

~~—— (34) "Real estate" or "real property" includes:~~

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

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

~~—— (c) improvements:~~

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

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

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

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- ~~—— (b) Subject to Subsection (36)(c), "residential property":~~
- ~~—— (i) except as provided in Subsection (36)(b)(ii), includes household furnishings, furniture, and equipment if the household furnishings, furniture, and equipment are:~~
- ~~—— (A) used exclusively within a dwelling unit that is the primary residence of a tenant;~~
- ~~and~~
- ~~—— (B) owned by the owner of the dwelling unit that is the primary residence of a tenant;~~
- ~~and~~
- ~~—— (ii) does not include property used for transient residential use.~~
- ~~—— (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may by rule define the term "dwelling unit" for purposes of Subsection (33) and this Subsection (36).~~
- ~~—— (37) "Split estate mineral rights owner" means a person that:~~
- ~~—— (a) has a legal right to extract a mineral from property;~~
- ~~—— (b) does not hold more than a 25% interest in:~~
- ~~—— (i) the land surface rights of the property where the wellhead is located; or~~
- ~~—— (ii) an entity with an ownership interest in the land surface rights of the property where the wellhead is located;~~
- ~~—— (c) is not an entity in which the owner of the land surface rights of the property where the wellhead is located holds more than a 25% interest; and~~
- ~~—— (d) does not have a relationship with an owner of the land surface rights of the property where the wellhead is located.~~
- ~~—— (38) (a) "State-assessed commercial vehicle" means:~~
- ~~—— (i) any commercial vehicle, trailer, or semitrailer that operates interstate or intrastate to transport passengers, freight, merchandise, or other property for hire; or~~
- ~~—— (ii) any commercial vehicle, trailer, or semitrailer that operates interstate and transports the vehicle owner's goods or property in furtherance of the owner's commercial enterprise.~~
- ~~—— (b) "State-assessed commercial vehicle" does not include vehicles used for hire that are specified in Subsection (9)(c) as county-assessed commercial vehicles.~~
- ~~—— (39) "Subdivided lot" means a lot, parcel, or other division of land, that is a division of a base parcel.~~
- ~~—— (40) "Taxable value" means fair market value less any applicable reduction allowed for~~

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~~residential property under Section 59-2-103:~~

~~—— (41) "Tax area" means a geographic area created by the overlapping boundaries of one or more taxing entities:~~

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

~~—— (43) (a) "Tax roll" means a permanent record of the taxes charged on property, as extended on the assessment roll, and may be maintained on the same record or records as the assessment roll or may be maintained on a separate record properly indexed to the assessment roll:~~

~~—— (b) "Tax roll" includes tax books, tax lists, and other similar materials:~~

~~—— Section 21. Section **63I-2-211** is amended to read:~~

~~—— **63I-2-211. Repeal dates -- Title 11.**~~

~~—— (1) (a) Subsections 11-13-302(2)(a)(i) and (2)(b)(i), the language that states "or 53A-17a-135.5, as applicable" is repealed July 1, 2023.~~

~~—— (2) Section 11-13-310, the language that states "or 53A-17a-135.5, as applicable," is repealed July 1, 2023.~~

~~—— (3) Title 11, Chapter 53, Residential Property Reimbursement, is repealed on January 1, 2020.~~

~~—— Section 22. Section **63I-2-253** is amended to read:~~

~~—— **63I-2-253. Repeal dates -- Titles 53, 53A, and 53B.**~~

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

~~—— (2) Section 53A-1-411 is repealed July 1, 2017.~~

~~—— (3) Section 53A-1-709 is repealed July 1, 2020.~~

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

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

~~—— (6) Title 53A, Chapter 1a, Part 10, UPSTART, is repealed July 1, 2019.~~

~~—— (7) Subsection 53A-2-118.4 (1)(c)(i), the language that states "or 53A-17a-135.5, as applicable" is repealed July 1, 2023.~~

~~—— [(7)] (8) Title 53A, Chapter 8a, Part 8, Peer Assistance and Review Pilot Program, is repealed July 1, 2017.~~

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~~———— (9) Subsection 53A-17a-103(2)(a)(i), the language that states "or 53A-17a-135.5, as applicable" is repealed July 1, 2023.~~

~~———— (10) Subsections 53A-17a-105(4) and (5), the language that states "or 53A-17a-135.5, as applicable," is repealed July 1, 2023.~~

~~———— (11) Subsection 53A-17a-135(1)(b) is repealed July 1, 2023.~~

~~———— (12) Subsection 53A-17a-135.1(3), the language that states "or 53A-17a-135.5, as applicable" is repealed July 1, 2023.~~

~~———— (13) Section 53A-17a-135.5 is repealed July 1, 2023.~~

~~———— (14) Section 53A-17a-135.6 is repealed July 1, 2023.~~

~~———— (15) Subsection 53A-17a-143(1), the language that states "or 53A-17a-135.5, as applicable" is repealed July 1, 2023.~~

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

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

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

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

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

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

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

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

~~———— **63I-2-259. Repeal dates -- Title 59.**~~

~~———— (1) Subsection 59-2-102(8)(a)(i), the language that states "or 53A-17a-135.5, as applicable" is repealed July 1, 2023.~~

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

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

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

~~Section 24. **Effective date.**~~

~~This bill takes effect on January 1, 2018.~~

~~Section 25. **Revisor instructions.**~~

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

~~†14. **Retrospective operation.**~~

~~This bill has retrospective operation to January 1, 2017.~~