PUBLIC EDUCATION Base BUDGET AMENDMENTS

2016 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Steve Eliason

Senate Sponsor: Howard A. Stephenson

LONG TITLE

General Description:

This bill appropriates funds for the support and operation of public education for the fiscal year beginning July 1, 2016, and ending June 30, 2017.

Highlighted Provisions:

This bill:

- provides appropriations for the use and support of state education agencies;
- provides appropriations for the use and support of school districts and charter schools;
- sets the value of the weighted pupil unit (WPU) initially at the same WPU value set for the 2016 fiscal year:
  - $2,837 for the special education and career and technology add-on programs; and
  - $3,092 for all other programs;
- sets the estimated minimum basic tax rate at .001695 for fiscal year 2017; and
- provides appropriations for other purposes as described.

Money Appropriated in this Bill:

This bill appropriates for fiscal year 2017:

- $7,303,800 from the General Fund;
- $27,000,000 from the Uniform School Fund;
- $2,899,987,800 from the Education Fund; and
$1,410,346,800 from various sources as detailed in this bill.

Other Special Clauses:
This bill provides a special effective date.

Utah Code Sections Affected:
AMENDS:

53A-17a-135, as last amended by Laws of Utah 2015, Chapters 7 and 287 and last amended by Coordination Clause, Laws of Utah 2015, Chapter 287

Uncodified Material Affected:
ENACTS UNCODIFIED MATERIAL

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

Section 1. Section 53A-17a-135 is amended to read:

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

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

(2) (a) In order to qualify for receipt of the state contribution toward the basic program and as its contribution toward its 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 preliminary estimate for the minimum basic tax rate is .001695.

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

(d) 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) the minimum basic tax rate to be imposed under Subsection (2); and
(ii) the basic levy increment rate.

(b) In accordance with the state strategic plan for public education and to fulfill its
responsible 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) (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:
(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.

Section 2. Appropriations for state education agencies, school districts, and
charter schools -- Value of the weighted pupil unit.
(1) Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act,
for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following sums of
money are appropriated from resources not otherwise appropriated, or reduced from amounts
previously appropriated, out of the funds or amounts indicated. These sums of money are in
addition to amounts previously appropriated for fiscal year 2017.

(2) The value of the weighted pupil unit for fiscal year 2017 is initially set at:
(a) $2,837 for:
(i) Special Education -- Add-on; and
(ii) Career & Technical Education District Add-on; and
(b) $3,092 for all other programs.

STATE BOARD OF EDUCATION - MINIMUM SCHOOL PROGRAM
ITEM 1 To State Board of Education - Minimum School Program - Basic School Program

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>From Uniform School Fund</td>
<td>27,000,000</td>
</tr>
<tr>
<td>From Education Fund</td>
<td>2,125,931,500</td>
</tr>
<tr>
<td>From Local Revenue</td>
<td>380,172,300</td>
</tr>
<tr>
<td>From Beginning Nonlapsing Appropriation Balances</td>
<td>21,822,500</td>
</tr>
</tbody>
</table>
From Closing Nonlapsing Appropriation Balances (21,822,500)

Schedule of Programs:

<table>
<thead>
<tr>
<th>Program</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kindergarten (28,319 WPUs)</td>
<td>87,562,300</td>
</tr>
<tr>
<td>Grades 1 - 12 (562,824 WPUs)</td>
<td>1,740,251,800</td>
</tr>
<tr>
<td>Necessarily Existent Small Schools (9,357 WPUs)</td>
<td>28,931,800</td>
</tr>
<tr>
<td>Professional Staff (53,751 WPUs)</td>
<td>166,198,100</td>
</tr>
<tr>
<td>Administrative Costs (1,505 WPUs)</td>
<td>4,653,500</td>
</tr>
<tr>
<td>Special Education - Add-on (75,134 WPUs)</td>
<td>213,155,100</td>
</tr>
<tr>
<td>Special Education - Preschool (9,878 WPUs)</td>
<td>30,542,800</td>
</tr>
<tr>
<td>Special Education - Self-contained (13,925 WPUs)</td>
<td>43,056,100</td>
</tr>
<tr>
<td>Special Education - Extended School Year</td>
<td>1,326,500</td>
</tr>
<tr>
<td>Special Education - State Programs (3,258 WPUs)</td>
<td>10,073,700</td>
</tr>
<tr>
<td>Career and Technical Education - Add-on (30,085 WPUs)</td>
<td>85,351,100</td>
</tr>
<tr>
<td>Class Size Reduction (39,457 WPUs)</td>
<td>122,001,000</td>
</tr>
</tbody>
</table>

ITEM 2 To State Board of Education - Minimum School Program - Related to Basic School Programs

<table>
<thead>
<tr>
<th>Program</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>From Education Fund</td>
<td>487,909,100</td>
</tr>
<tr>
<td>From Interest and Dividends Account</td>
<td>39,730,000</td>
</tr>
<tr>
<td>From Beginning Nonlapsing Appropriation Balances</td>
<td>15,754,200</td>
</tr>
<tr>
<td>From Closing Nonlapsing Appropriation Balances</td>
<td>(15,754,200)</td>
</tr>
</tbody>
</table>

Schedule of Programs:

<table>
<thead>
<tr>
<th>Program</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>To and From School - Pupil Transportation</td>
<td>75,830,200</td>
</tr>
<tr>
<td>Guarantee Transportation Program</td>
<td>500,000</td>
</tr>
<tr>
<td>Flexible Allocation - WPU Distribution</td>
<td>25,906,600</td>
</tr>
<tr>
<td>Enhancement for At-Risk Students</td>
<td>25,681,000</td>
</tr>
<tr>
<td>Youth in Custody</td>
<td>20,974,500</td>
</tr>
<tr>
<td>Adult Education</td>
<td>10,303,400</td>
</tr>
<tr>
<td>Enhancement for Accelerated Students</td>
<td>4,557,500</td>
</tr>
<tr>
<td>Concurrent Enrollment</td>
<td>9,766,700</td>
</tr>
<tr>
<td>Item</td>
<td>Program Description</td>
</tr>
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<td>------------------------------------------------------------------------</td>
</tr>
<tr>
<td>121</td>
<td>Title I Schools Paraeducators Program</td>
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<td>122</td>
<td>School LAND Trust Program</td>
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<td>123</td>
<td>Charter School Local Replacement</td>
</tr>
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<td>124</td>
<td>Charter School Administration</td>
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<td>125</td>
<td>K-3 Reading Improvement</td>
</tr>
<tr>
<td>126</td>
<td>Educator Salary Adjustments</td>
</tr>
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<td>127</td>
<td>USFR Teacher Salary Supplement Restricted Account</td>
</tr>
<tr>
<td>128</td>
<td>School Library Books and Electronic Resources</td>
</tr>
<tr>
<td>129</td>
<td>Matching Funds for School Nurses</td>
</tr>
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<td>130</td>
<td>Critical Languages and Dual Immersion</td>
</tr>
<tr>
<td>131</td>
<td>USTAR Centers (Year-Round Math and Science)</td>
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<tr>
<td>132</td>
<td>Beverley Taylor Sorenson Elementary Arts</td>
</tr>
<tr>
<td>133</td>
<td>Early Intervention</td>
</tr>
<tr>
<td>135</td>
<td>ITEM 3 To State Board of Education - Minimum School Program - Voted and Board Local Levy Programs</td>
</tr>
<tr>
<td>137</td>
<td>From Education Fund</td>
</tr>
<tr>
<td>138</td>
<td>From Education Fund Restricted - Minimum Basic Growth Account</td>
</tr>
<tr>
<td>139</td>
<td>From Local Revenue</td>
</tr>
<tr>
<td>141</td>
<td>Voted Local Levy Program</td>
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<tr>
<td>142</td>
<td>Board Local Levy Program</td>
</tr>
<tr>
<td>143</td>
<td>Board Local Levy Program - Reading Improvement</td>
</tr>
<tr>
<td>147</td>
<td>From Education Fund</td>
</tr>
<tr>
<td>148</td>
<td>From Education Fund Restricted - Minimum Basic Growth Account</td>
</tr>
<tr>
<td>150</td>
<td>Capital Outlay Foundation Program</td>
</tr>
<tr>
<td>151</td>
<td>Capital Outlay Enrollment Growth Program</td>
</tr>
</tbody>
</table>
STATE BOARD OF EDUCATION

ITEM 5 To State Board of Education - State Office of Education

From General Fund 304,600
From Education Fund 32,563,000
From Federal Funds 340,726,800
From Dedicated Credits Revenue 5,901,200
From General Fund Restricted - Mineral Lease 3,502,800
From General Fund Restricted - Land Exchange Distribution Account 236,600
From General Fund Restricted - Substance Abuse Prevention 504,400
From Interest and Dividends Account 624,500
From Land Grant Management Fund 2,000
From Revenue Transfers 2,966,100

Schedule of Programs:

Assessment and Accountability 18,258,200
Educational Equity 342,300
Board and Administration 12,818,800
Business Services 1,806,900
Career and Technical Education 20,599,000
District Computer Services 6,688,500
Federal Elementary and Secondary Education Act 113,081,000
Law and Legislation 259,600
Math Teacher Training 500,000
Public Relations 146,600
School Trust 648,600
Special Education 181,237,800
Teaching and Learning 30,944,700

ITEM 6 To State Board of Education - Utah State Office of Education - Initiative Programs

From General Fund 3,999,200
From Education Fund 24,310,200
From General Fund Restricted - Autism Awareness Account 10,000
From Revenue Transfers (31,100)
183 From Beginning Nonlapsing Appropriation Balances 7,640,200
184 From Closing Nonlapsing Appropriation Balances (7,640,200)
185 Schedule of Programs:
186 Electronic High School 986,800
187 Upstart Early Childhood Education 4,763,900
188 ProStart Culinary Arts Program 403,100
189 CTE Online Assessments 341,000
190 General Financial Literacy 171,000
191 Carson Smith Scholarships 3,988,000
192 Paraeducator to Teacher Scholarships 24,500
193 Electronic Elementary Reading Tool 1,600,000
194 ELL Software Licenses 3,000,000
195 Autism Awareness 10,000
196 Early Intervention 4,600,000
197 Peer Assistance 400,000
198 Intergenerational Poverty Interventions 1,000,000
199 School Turnaround and Leadership Development Act 7,000,000
200 ITEM 7 To State Board of Education - State Charter School Board
201 From Education Fund 3,830,900
202 From Revenue Transfers (49,100)
203 From Beginning Nonlapsing Appropriation Balances 1,314,400
204 From Closing Nonlapsing Appropriation Balances (1,314,400)
205 Schedule of Programs:
206 State Charter School Board 3,781,800
207 ITEM 8 To State Board of Education - Utah Charter School Finance Authority
208 From Education Fund Restricted - Charter School Reserve Account 50,000
209 Schedule of Programs:
210 Utah Charter School Finance Authority 50,000
211 ITEM 9 To State Board of Education - Educator Licensing Professional Practices
212 From Dedicated Credits Revenue 34,500
<table>
<thead>
<tr>
<th>ITEM</th>
<th>From</th>
<th>To</th>
<th>Schedule of Programs:</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>Education Fund</td>
<td>State Board of Education - Child Nutrition - Federal Commodities</td>
<td>Child Nutrition</td>
</tr>
<tr>
<td>12</td>
<td>Education Fund</td>
<td>State Board of Education - Fine Arts Outreach</td>
<td>Professional Outreach Programs, Subsidy Program</td>
</tr>
<tr>
<td>13</td>
<td>Education Fund</td>
<td>State Board of Education - Science Outreach</td>
<td>Informal Science Education Enhancement, Provisional Program, Teacher Resources Program, Integrated Student and New Facility Learning</td>
</tr>
<tr>
<td>14</td>
<td>Education Fund</td>
<td>State Board of Education - State Office of Education - Educational Contracts</td>
<td></td>
</tr>
</tbody>
</table>
From Beginning Nonlapsing Appropriation Balances 362,000
From Closing Nonlapsing Appropriation Balances (362,000)
Schedule of Programs:
  Youth Center 1,153,200
  Corrections Institutions 1,984,600

ITEM 15 To State Board of Education - Utah Schools for the Deaf and the Blind
From Education Fund 25,328,100
From Federal Funds 97,200
From Dedicated Credits Revenue 1,153,100
From Revenue Transfers 5,184,500
Schedule of Programs:
  Educational Services 15,077,200
  Support Services 16,685,700

ITEM 16 To State Board of Education - School and Institutional Trust Fund Office
From School and Institutional Trust Fund Management Account 865,000
Schedule of Programs:
  School and Institutional Trust Fund Office 865,000

ITEM 17 To State Board of Education - Charter School Revolving Account
From Interest Income 46,200
From Repayments 1,543,900
From Beginning Nonlapsing Appropriation Balances 6,692,500
From Closing Nonlapsing Appropriation Balances (6,762,100)
Schedule of Programs:
  Charter School Revolving Account 1,520,500

ITEM 18 To State Board of Education - School Building Revolving Account
From Interest Income 55,800
From Repayments 1,465,600
From Beginning Nonlapsing Appropriation Balances 9,767,600
From Closing Nonlapsing Appropriation Balances (9,861,800)
Schedule of Programs:
  School Building Revolving Account 1,427,200
Section 3. **Expendable funds and accounts.**

The Legislature has reviewed the following expendable funds. Where applicable, the Legislature authorizes the state Division of Finance to transfer amounts among funds and accounts as indicated. Outlays and expenditures from the recipient funds or accounts may be made without further legislative action according to a fund or account's applicable authorizing statute.

**ITEM 19 To State Board of Education - Child Nutrition Program Commodities Fund**

- From Dedicated Credits Revenue: $200
- From Beginning Nonlapsing Appropriation Balances: $200
- From Closing Nonlapsing Appropriation Balances: $(400)

**ITEM 20 To State Board of Education - Schools for the Deaf and the Blind Donation Fund**

- From Dedicated Credits Revenue: $270,000
- From Interest Income: $2,500
- From Beginning Nonlapsing Appropriation Balances: $655,300
- From Closing Nonlapsing Appropriation Balances: $(672,800)

**Schedule of Programs:**

- **Schools for the Deaf and the Blind Donation Fund**
  - $255,000

Section 4. **Restricted fund and account transfers.**

The Legislature authorizes the state Division of Finance to transfer the following amounts among the following funds or accounts as indicated. Expenditures and outlays from the recipient funds must be authorized elsewhere in an appropriations act.

**ITEM 21 To Fund and Account Transfers - General Fund Restricted - School Readiness Account**

- From General Fund: $3,000,000

**Schedule of Programs:**

- **General Fund Restricted - School Readiness Account**
  - $3,000,000

**ITEM 22 To Fund and Account Transfers - Education Fund Restricted - Minimum Basic Growth Account**

- From General Fund: $75,000,000

**Schedule of Programs:**

- **Fund and Account Transfers - Education Fund Restricted - Minimum Basic Growth Account**
  - $75,000,000
Education Fund Restricted - Minimum Basic

Growth Account 75,000,000

Section 5. Fiduciary funds.
The Legislature has reviewed proposed revenues, expenditures, fund balances, and changes in fund balances for the following fiduciary funds.

ITEM 23 To State Board of Education - Education Tax Check-off Lease Refunding

From Trust and Agency Funds 27,500
From Beginning Nonlapsing Appropriation Balances 31,300
From Closing Nonlapsing Appropriation Balances (33,500)

Schedule of Programs:

Education Tax Check-off Lease Refunding 25,300

Section 6. Effective date.

This bill takes effect on July 1, 2016.

Legislative Review Note
Office of Legislative Research and General Counsel