



PUBLIC EDUCATION
APPROPRIATIONS SUBCOMMITTEE

Budget Introductions

R. Benjamin Leishman, Finance Manager January 2020

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Subcommittee

2020 GS | Membership, Meetings, & Information

<p><i>Membership & Meetings</i></p> <ul style="list-style-type: none"> ○ 8 Session Meetings <ul style="list-style-type: none"> • Review All Budget Line-Items <ul style="list-style-type: none"> ▪ Budget Issues/Changes ▪ New Funding Requests (USB/E/Governor/Others) • Requests for Appropriation • Budget Bills <ul style="list-style-type: none"> ▪ House Bill 1 (Base) & Senate Bill 2 ○ Staff <ul style="list-style-type: none"> • Ben Leishman, Emily Willis, Annette Sion 	<p><i>Primary Meeting Information</i></p> <ul style="list-style-type: none"> ○ Mostly Paperless – Legislature Website <ul style="list-style-type: none"> • <u>Subcommittee Page</u> <ul style="list-style-type: none"> ▪ Meeting Notices, Agendas, Minutes, Audio ▪ Meeting Materials • <u>Budget.Utah.Gov</u> <ul style="list-style-type: none"> ▪ Compendium of Budget Information - Issues & Financial Tabs ▪ Budget of the State of Utah ○ Acronyms ○ Meeting Handouts <ul style="list-style-type: none"> • Request Print Copies • Documents from Agencies/Public
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Subcommittee Schedule 2020 General Session

Agendas Posted 24 Hours Prior to Meeting

Individuals/Organizations Wishing to Address the Subcommittee:

- Contact Committee Staff 48 Hours Prior to Scheduled Meeting
- Email Presentation Materials 24 Hours Prior to Meeting

UTAH STATE LEGISLATURE

Legislators Bills Code Committees Audits Budget Research and Legal

Home All Committees 2020 Public Education Appropriations Subcommittee

Year 2020
Committee Public Education Appropriations Subcommittee

2020 Public Education Appropriations Subcommittee

Meetings Members Legislation Overview Related Links Subscribe

Upcoming Meetings

- Tue, Jan 28, 8:00 AM (445 State Capitol)
Notice Agenda
- Thu, Jan 30, 8:00 AM (445 State Capitol)
Notice
- Mon, Feb 3, 8:00 AM (445 State Capitol)
Notice
- Wed, Feb 5, 8:00 AM (445 State Capitol)
Notice

LFA

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Requests for Appropriation Due by Noon February 6th

Required Information:

- Itemized Budget
- Deliverables and/or Performance Measures
- Other State Funds Received by Organization
- Type of Organization (Government, Gov't Not for Profit, Private Not for Profit)
- Statewide Public Purpose

State Agencies Receive Funds and Must Follow State Procurement Laws

Request for Appropriation (2020 General Session)
(See instructions on reverse side and JR4-3-101 through 201)

SECTION I - To be completed by requesting legislator

Name: Senator/Representative _____ Date _____

Funding Request Name _____

Description of Funding Item _____

Agency through which funds would be administered _____

What is the statewide public purpose?*

What type of organization(s) will receive this funding? (check all that apply)
 Government Gov't Not for Profit Private for Profit Private Not for Profit

Amount Requested: \$ _____

General Fund Educ. Fund Transp. Fund Other: _____
 FY20 (One-time) FY21 (One-time) FY21 (Ongoing) Nonlapsing

Project Contact Information: Name _____
 Title _____
 Organization _____
 Phone # _____
 Email _____

Attach Supporting Documentation (Required)
 Itemized Budget
 Deliverables and/or Performance Measures
 Does this organization receive other State financing? Yes No If yes, attach explanation.
 Please attach any other supporting documentation

Appropriations Committee Recommendation _____

*All appropriations must be made to state agencies. State agencies must follow state procurement laws which require competitive bids, requests for proposal, or sole source determination. (Over)

LFA

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Subcommittee 2020 GS | Rules, Quorum, & Voting Requirements

Rules & Quorum

- Specific for Joint Subcommittees (JR3-2)
 - Created in 2017 to Address Confusion
 - Different Quorum & Procedure Requirements
 - Not “House of Chair” or Standing/Interim Committee Rules
- Quorum Requirements (JR3-2-404)
 - 50% in One House & 50% +1 in the Other
 - 6 Senators | 13 Representatives
 - Cannot Split a Person
 - Majority/Minority Leadership Excluded
 - Unless Present, then Counted in Quorum
- Voting Requirements
 - 50% of Members in Attendance in One House
 - More than 50% in Attendance in the Other

Public Education Appropriations Subcommittee					
	Senate		House		
Total number of members	6		13		
Members in Leadership Positions	2		3		
	Quorum Requirements		Voting Requirements		
	Senate	House	Senate	House	
If all leadership present	At least 3	7	At least 2	4	
All leadership present except 1 senator	At least 3	7	At least 2	4	
All leadership present except 2 senators	At least 2	7	At least 1	4	
All leadership present except 1 rep.	At least 3+	6+	At least 2+	3+	
All leadership present except 2 reps.	At least 3	6	At least 2	3	
All leadership present except 3 reps.	At least 3+	5+	At least 2	3	
All leadership present except 1 sen. and 1 rep.	At least 3	6	At least 2	3	
All leadership present except 1 sen. and 2 reps.	At least 3	6	At least 2	3	
All leadership present except 1 sen. and 3 reps.	At least 3	5	At least 2	3	
All leadership present except 2 sens. and 1 rep.	At least 2+	6+	At least 1+	3+	
All leadership present except 2 sens. and 2 reps.	At least 2	6	At least 1+	3+	
No leadership present	At least 2+	5+	At least 1+	3+	

+ Must have at least 50% in one body, and greater than 50% in the other body



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Subcommittee Meetings 2020 GS | Review Each Budgetary Line Item

Meeting Structure

- Presentation of Line Item Budget (Analyst)
 - Budget Review (Revenues & Expenditures)
 - Issues & Recommendations
- State Board of Education
 - Comments, Issues, & Budget Recommendations
 - Updates on Performance Measures
- Public Input (as Approved by Chairs)
- Subcommittee Discussion
 - Most Budgetary Actions Taken in Final Meeting
 - Contact Chairs with Additional Agenda Items

Budget Reviews

- Review All Line Items (Approx. 18)
 - Starting Point (Base Budget)
 - Purpose, Funding, Performance
 - Adjust Funding to Meet Current Needs or Issues
 - Evaluate Requests for Increases
 - Exclude Programs Reviewed in Interim
- Subcommittee Allocation – FY 2021
 - \$3,805,362,800 Ongoing State Funds (GF/EF/USF)
 - (\$33,690,000 one-time)
 - Subcommittee Can Reallocate to Meet Priorities
- Recommendations to Executive Appropriations
 - Funding Reallocations
 - New Funding Priority Lists (Ongoing & One-time)



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Education Budget – State & Local

2020 GS | Revenues, Expenditures, and Trends



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State Revenue:
Estimated General & Education Fund
December 13, 2019

Total - \$474.0 Million
Ongoing - \$363.0 Million
One-time - \$111.0 Million

Revenue Estimates Revised in
Late February

SB 2001 Impacts



Available GF/EF Revenue - December 13, 2019 (Revised)
(In millions of dollars)

	<i>a</i>	<i>b</i>	
		One-Time	Ongoing
1 General Fund			
2 Prior Year Surplus		(22)	-
3 Fall Revenue Forecast		(29)	42
4 Subtotal, Before Dec. SS		(51)	42
5 SB 2001 Impacts		50	107
6 Available GF Free Revenue		(1)	149
7 Education Fund			
8 Prior Year Surplus		107	-
9 Fall Revenue Forecast*		144	440
10 Subtotal, Before Dec. SS		251	440
11 SB 2001 Impacts*		(138)	(226)
12 Available EF Free Revenue		113	214
13 Total GF/EF			
14 Prior Year Surplus		85	-
15 Fall Revenue Forecast		115	482
16 Subtotal, Before Dec. SS		200	482
17 SB 2001 Impacts**		(89)	(119)
18 Available GF/EF Free Revenue		111	363

*Assumes \$80 m tax relief budgeted in 2019 GS.
 **These are GF/EF changes only. Ongoing tax changes equal this \$119 m plus \$80 m already budgeted minus \$34 m TIF and \$5 m Corridor Preservation (total = \$160 m ongoing, \$89 m 1x).
 Note: All Figures assume restoration of automatic spending cuts from 2019 GS.



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The Basic Levy: FY 2021 Estimated Revenue

Statute Provides for Certain
Increases in Basic Levy Property
Tax Revenue

- Basic Levy - \$17.3 M from "Net New Growth in Properties" historically used to offset the state cost of enrollment growth.
- Equity Pupil - \$21.1 M (Est.) Difference between the traditional "Basic Tax Rate" and the rate floor of 0.0016.
- WPU Value - \$5.2 M (Est.) for each 1% increase in WPU Value set by the Legislature

Minimum School Program: The Basic Levy

Basic Rate Components	FY 2020	FY 2021	FY 2021	FY 2021	FY 2021
	Base Revenue	Net New Growth ⁽¹⁾	Formula Increase	Discretionary	Total
Basic Levy	\$348,036,700	\$17,330,700	\$0	\$0	\$365,367,400
Basic Levy Increment Rate ⁽²⁾	\$75,000,000	\$0	\$0	\$0	\$75,000,000
Equity Pupil Tax Rate	\$48,997,900	\$0	\$21,137,300	\$0	\$70,135,200
WPU Value Rate (Each 1% WPU Value Incr.) ⁽¹⁾	\$37,450,000	\$0	\$0	\$5,150,000	\$37,450,000
Total	\$509,484,600	\$17,330,700	\$21,137,300	\$5,150,000	\$547,952,600

Notes:
 (1) The WPU Value Rate adjusts with the percent increase in the WPU Value as determined by the Legislature. The adjustment is based on the ratio of state/local funding in the prior year (FY 2020 is 84/16 split). For FY 2021, the property tax increase would be approximately \$5.2 million for each 1 percent increase. The "FY 2021 Discretionary" amount is not included in the "FY 2021 Total" as the Legislature has yet to determine the WPU Value increase for FY 2021 to calculate the final tax impact amount.
 (2) Statute allows the Basic Rate to collect property tax revenue on the net new growth of properties in the state. "Net New Growth is an amount calculated by the Tax Commission each year. Historically, this revenue has accrued to the Basic School Program and offset the state cost for enrollment growth each year. The net new growth amount for the Basic Levy Increment Rate has accrued to the Basic School Program since the creation of that rate in FY 2016.



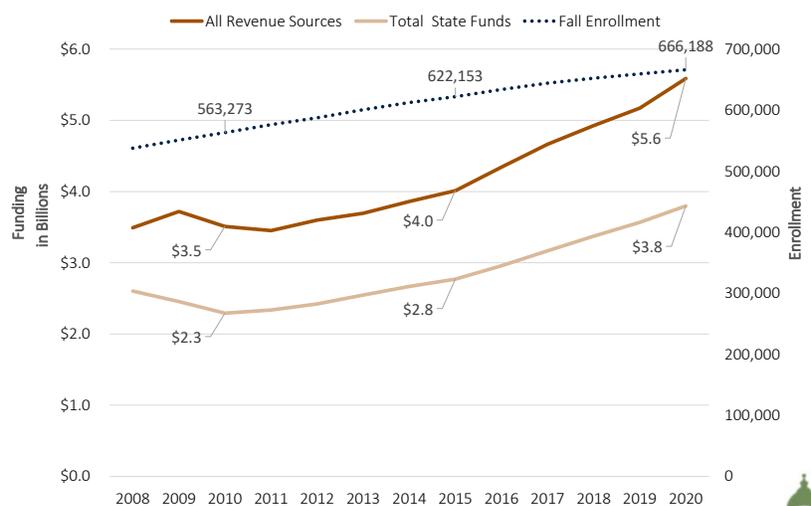
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Budget History: Appropriations Compared to Fall Enrollment

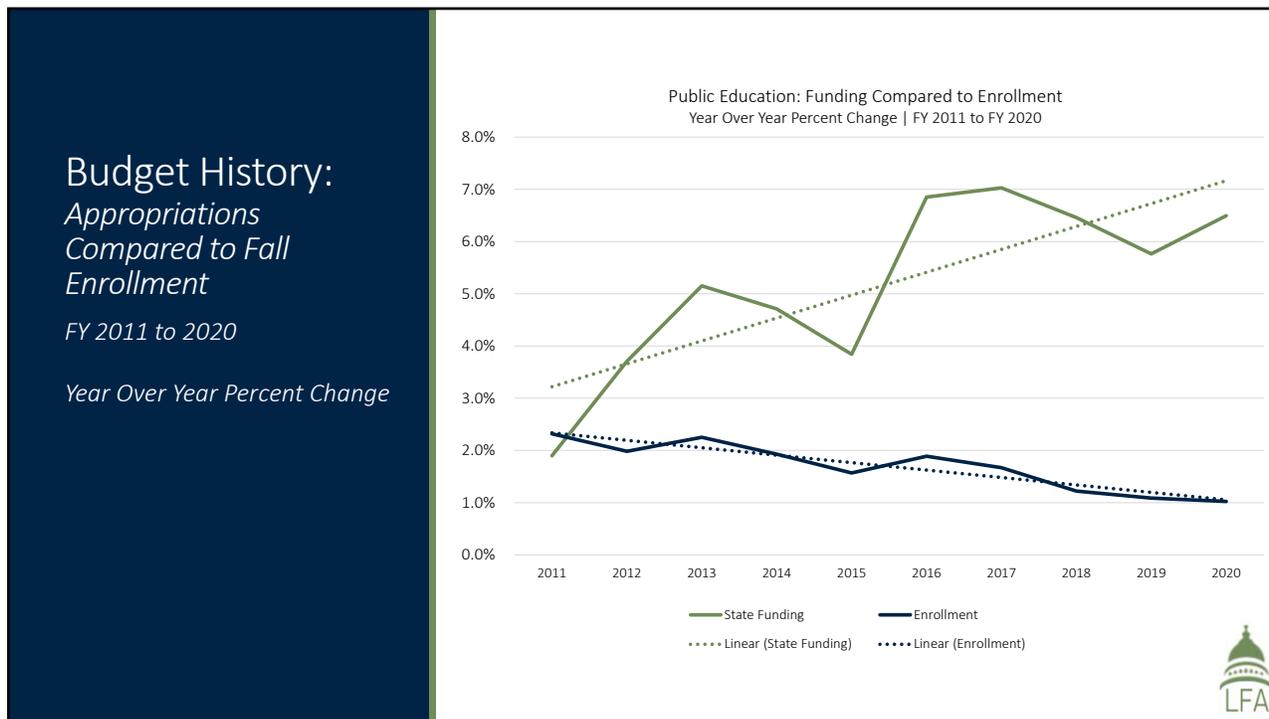
FY 2008 to 2020
Total - \$5.6 Billion
State - \$3.8 Billion

Enrollment - 666,188

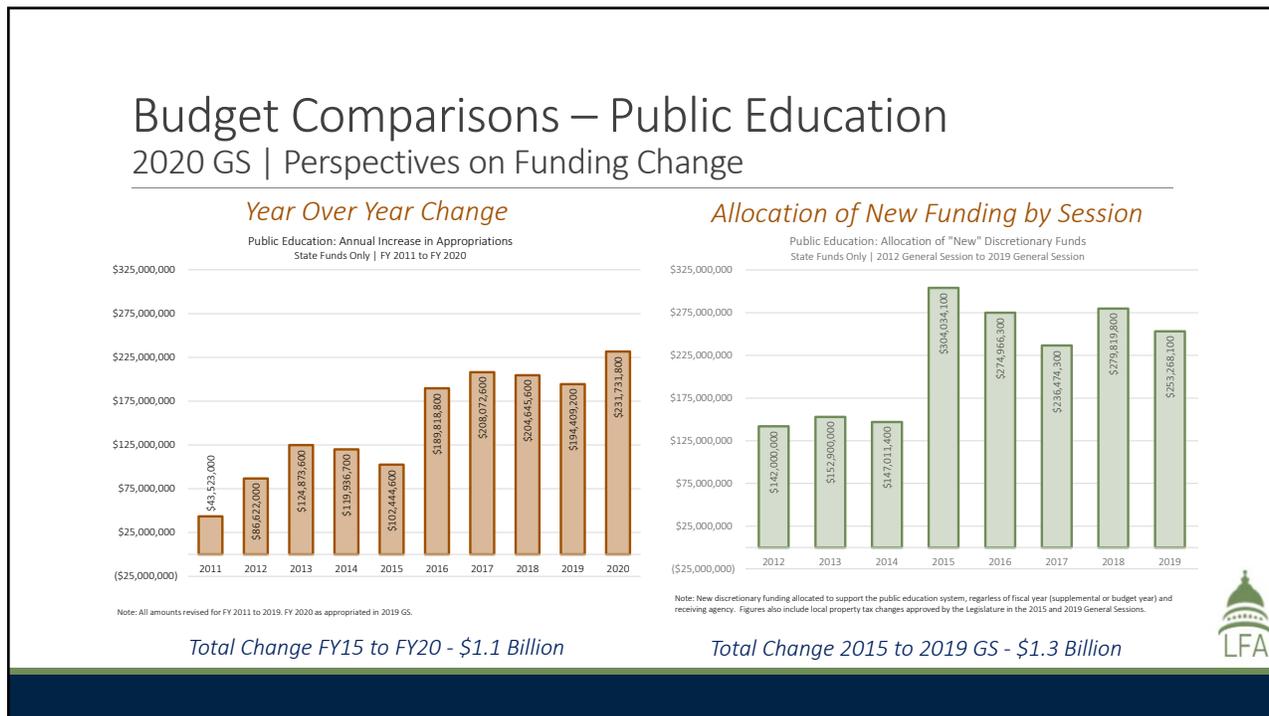
Public Education: Funding Compared to Enrollment
Total & State Fund Appropriations Compared to Fall Enrollment | FY 2008 to FY 2020



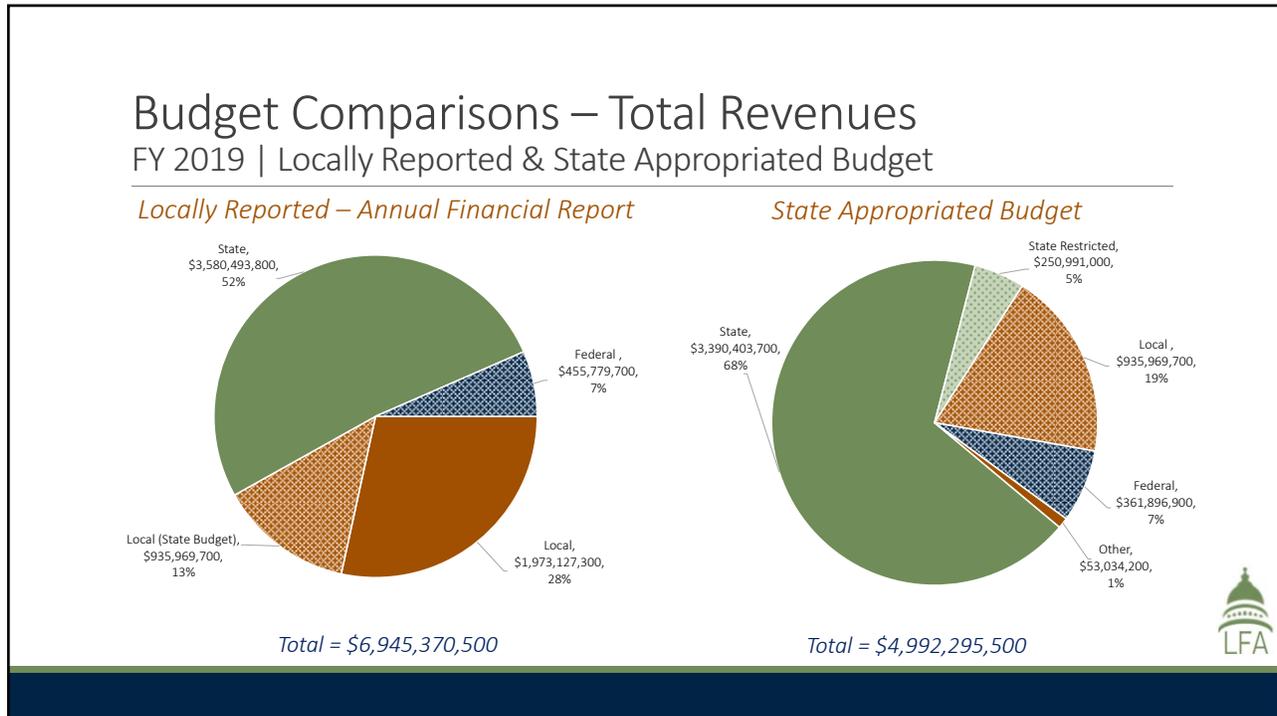
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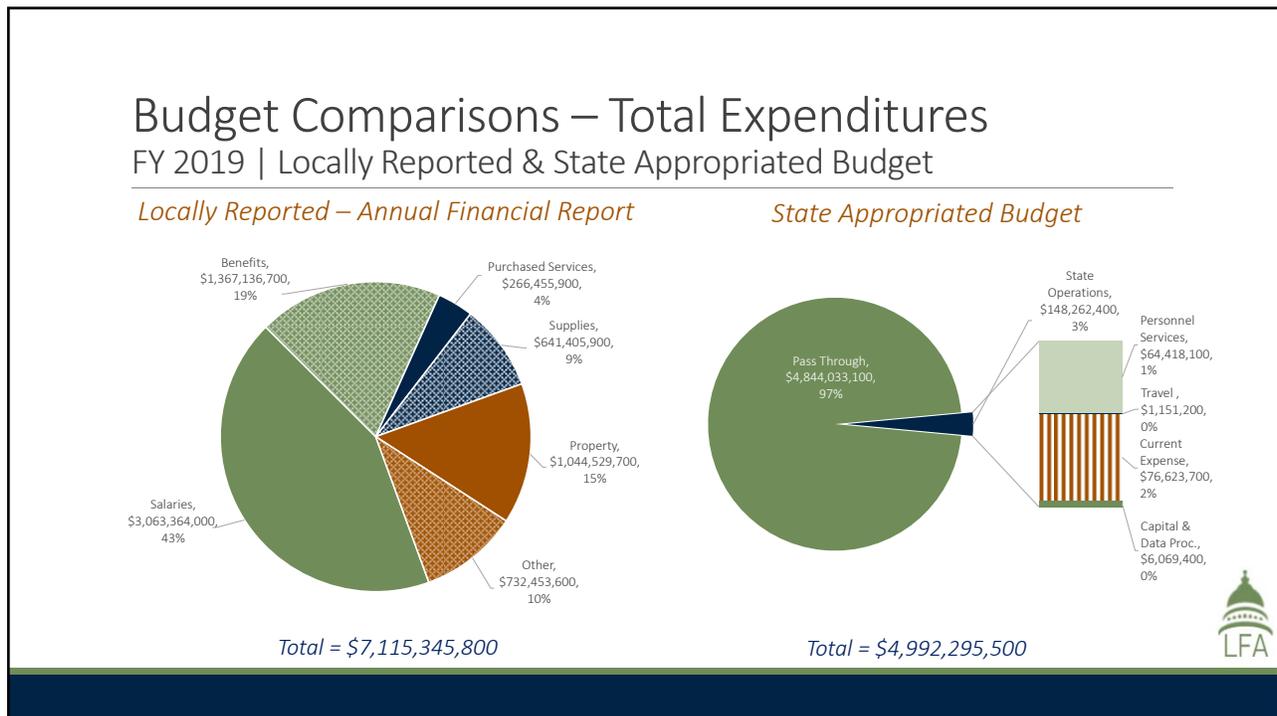
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