

Part 2 Capital Outlay Foundation Program

53A-21-201 Capital Outlay Foundation Program -- Creation -- Definitions.

- (1) There is created the Capital Outlay Foundation Program to provide capital outlay funding to a school district based on a district's local property tax effort and property tax yield per student compared to a foundation guarantee funding level.
- (2) As used in this part:
 - (a) "Foundation guarantee level per ADM" means a minimum revenue amount per ADM generated by the base tax effort rate, including the following:
 - (i) the revenue generated locally from a school district's combined capital levy rate; and
 - (ii) the revenue allocated to a school district by the State Board of Education in accordance with Section 53A-21-202.
 - (b) "Qualifying school district" means a school district with a property tax yield per ADM less than the foundation guarantee level per ADM.
- (3) "Small school district" means a school district that has fewer than 1,000 pupils in average daily membership.

Amended by Chapter 185, 2010 General Session

53A-21-202 Capital Outlay Foundation Program -- Distribution formulas -- Allocations.

- (1)
 - (a) The State Board of Education shall determine the foundation guarantee level per ADM that fully allocates the funds appropriated to the State Board of Education for distribution under this section.
 - (b) In determining the foundation guarantee level per ADM and a school district's allocation of funds under this part, the State Board of Education shall use data from the fiscal year that is two years prior to the fiscal year the school district receives the allocation, including the:
 - (i) number of pupils in average daily membership;
 - (ii) tax rates; and
 - (iii) derived net taxable value.
- (2) By June 1, a county treasurer shall report to the State Board of Education the actual collections of property taxes in the school districts located within the county treasurer's county for the period beginning April 1 through the following March 31 immediately preceding that June 1.
- (3) If a qualifying school district imposes a combined capital levy rate that is greater than or equal to the base tax effort rate, the State Board of Education shall allocate to the qualifying school district an amount equal to the product of the following:
 - (a) the qualifying school district's ADM; and
 - (b) an amount equal to the difference between the following:
 - (i) the foundation guarantee level per ADM, as determined in accordance with Subsection (1); and
 - (ii) the qualifying school district's property tax yield per ADM.
- (4) If a qualifying school district imposes a combined capital levy rate less than the base tax effort rate, the State Board of Education shall allocate to the qualifying school district an amount equal to the product of the following:
 - (a) the qualifying school district's ADM;
 - (b) an amount equal to the difference between the following:

- (i) the foundation guarantee level per ADM; and
 - (ii) the qualifying school district's property tax yield per ADM; and
- (c) a percentage equal to:
- (i) the qualifying school district's combined capital levy rate; divided by
 - (ii) the base tax effort rate.
- (5)
- (a) The State Board of Education shall allocate:
- (i) a minimum of \$200,000 to each small school district with a property tax base per ADM less than or equal to the statewide average property tax base per ADM;
 - (ii) a minimum of \$100,000 to each small school district with a property tax base per ADM that is:
 - (A) greater than the statewide average property tax base per ADM; and
 - (B) less than or equal to two times the statewide average property tax base per ADM; and
 - (iii) a minimum of \$50,000 to each small school district with a property tax base per ADM that is:
 - (A) greater than two times the statewide average property tax base per ADM; and
 - (B) less than or equal to five times the statewide average property tax base per ADM.
- (b) The State Board of Education shall incorporate the minimum allocations described in Subsection (5)(a) in its calculation of the foundation guarantee level per ADM determined in accordance with Subsection (1).

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