

1 **USE OF EDUCATION REVENUES**

2 2003 GENERAL SESSION

3 STATE OF UTAH

4 **Sponsor: Michael R. Styler**

5 **This act modifies the State System of Public Education Code by allowing school districts**
6 **to use up to 15% of the proceeds of its capital outlay levy for operation and maintenance**
7 **expenses.**

8 This act affects sections of Utah Code Annotated 1953 as follows:

9 AMENDS:

10 **53A-16-107**, as last amended by Chapter 332, Laws of Utah 1999

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

12 Section 1. Section **53A-16-107** is amended to read:

13 **53A-16-107. Capital outlay levy -- Authority to use 15% of proceeds for operation**
14 **and maintenance expenses.**

15 (1) ~~[(a)]~~ A local school board may levy a tax not to exceed .0024 per dollar of taxable
16 value for ~~[debt service and]~~ capital outlay, except as provided in Sections 53A-16-110 and
17 53A-17a-145.

18 ~~[(b)]~~ (2) Each local school board may utilize up to 15% of the proceeds ~~[of a maximum~~
19 ~~of .0002 per dollar of taxable value]~~ of its annual capital outlay levy for ~~[the maintenance of~~
20 ~~school plants in its school district]~~ operation and maintenance expenses.

21 ~~[(2) A board that uses the option provided under Subsection (1)(b) must do the~~
22 ~~following:]~~

23 ~~[(a) maintain the same level of expenditure for maintenance in the current year as it did~~
24 ~~in the preceding year, plus the annual average percentage increase applied to the maintenance~~
25 ~~and operation budget for the current year; and]~~

26 ~~[(b) identify the expenditure of capital outlay funds for maintenance by a district~~
27 ~~project number to ensure that the funds were expended in the manner intended.]~~



28 [~~(3) The State Board of Education shall establish by rule the expenditure classification~~
29 ~~for maintenance under this program using a standard classification system.]~~

Legislative Review Note
as of 1-27-03 2:00 PM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel

Fiscal Note
Bill Number HB0233

Use of Education Revenues

06-Feb-03

10:42 AM

State Impact

Provisions of this bill allow for changes in how revenue generated through a Capital Outlay Levy may be expended. Implementation of this bill can be handled within existing resources.

Individual and Business Impact

No fiscal impact.

Office of the Legislative Fiscal Analyst