

**Representative Gordon E. Snow** proposes the following substitute bill:

**MINIMUM SCHOOL PROGRAM ACT**

**AMENDMENTS**

2004 GENERAL SESSION

STATE OF UTAH

**Sponsor: Howard A. Stephenson**

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**LONG TITLE**

**General Description:**

This bill provides funding for the Minimum School Program.

**Highlighted Provisions:**

This bill:

- ▶ establishes a ceiling for the state contribution to the maintenance and operations portion of the Minimum School Program for fiscal year 2004-05 of \$1,698,739,911;
- ▶ establishes the value of the weighted pupil unit at \$2,182;
- ▶ appropriates \$27,288,900 to the State Board of Education for fiscal year 2004-05 for school building aid programs for school districts;
- ▶ makes one-time appropriations to the State Board of Education for fiscal year 2003-04 for distribution to charter schools and the Electronic High School;
- ▶ modifies the state guarantee under the voted leeway and board leeway programs;
- ▶ requires that a portion of per pupil funding for charter schools shall be used for funding school facilities;
- ▶ specifies the number of foreign exchange students that may be included in a school district's or charter school's membership and attendance count for the purpose of apportioning state monies;
- ▶ transfers the responsibility for approving exchange student agencies from the State



- 26 Board of Education to local school boards and charter school governing boards;
- 27       ▶ directs the State Board of Education to make rules providing for fees for adult
- 28 education; and
- 29       ▶ requires the State Board of Education to use a portion of nonlapsing balances for
- 30 certain purposes.

31 **Monies Appropriated in this Bill:**

32 This bill appropriates from the Uniform School Fund:

- 33       ▶ \$1,726,028,811 for fiscal year 2004-05; and
- 34       ▶ \$891,000 for fiscal year 2003-04.

35 **Other Special Clauses:**

36 This bill provides an effective date.

37 **Utah Code Sections Affected:**

38 AMENDS:

- 39       **53A-1a-513**, as last amended by Chapter 320, Laws of Utah 2003
- 40       **53A-2-206**, as last amended by Chapter 320, Laws of Utah 2003
- 41       **53A-15-401**, as enacted by Chapter 2, Laws of Utah 1988
- 42       **53A-15-403**, as enacted by Chapter 2, Laws of Utah 1988
- 43       **53A-17a-103**, as last amended by Chapter 320, Laws of Utah 2003
- 44       **53A-17a-104**, as last amended by Chapter 320, Laws of Utah 2003
- 45       **53A-17a-131.17**, as last amended by Chapter 320, Laws of Utah 2003
- 46       **53A-17a-133**, as last amended by Chapter 320, Laws of Utah 2003
- 47       **53A-17a-134**, as last amended by Chapters 335 and 336, Laws of Utah 2001
- 48       **53A-17a-135**, as last amended by Chapter 320, Laws of Utah 2003
- 49       **53A-17a-148**, as last amended by Chapter 320, Laws of Utah 2003
- 50       **53A-17a-149**, as enacted by Chapter 320, Laws of Utah 2003
- 51       **53A-21-105**, as last amended by Chapter 320, Laws of Utah 2003

52 **Uncodified Material Affected:**

53 ENACTS UNCODIFIED MATERIAL



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

56 Section 1. Section **53A-1a-513** is amended to read:

57 **53A-1a-513. Funding for charter schools.**

58 (1) (a) Charter schools shall receive funding as described in this section, except  
59 Subsections (2) through (7) do not apply to charter schools described in Subsection (1)(b).

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

63 (2) (a) Except as provided in Subsection (2)(b), a charter school shall receive state  
64 funds, as applicable, on the same basis as a school district receives funds.

65 (b) In distributing funds under Title 53A, Chapter 17a, Minimum School Program Act,  
66 to charter schools, charter school pupils shall be weighted, where applicable, as follows:

- 67 (i) .55 for kindergarten pupils;  
68 (ii) .9 for pupils in grades 1-6;  
69 (iii) .99 for pupils in grades 7-8; and  
70 (iv) 1.2 for pupils in grades 9-12.

71 (c) The State Board of Education shall make rules in accordance with Title 63, Chapter  
72 46a, Utah Administrative Rulemaking Act, to administer Subsection (2)(b), including hold  
73 harmless provisions to maintain a charter elementary school's funding level for a period of two  
74 years after the effective date of the distribution formula.

75 (d) Subsection (2)(b) does not apply to funds appropriated to charter schools to replace  
76 local property tax revenues.

77 (3) The State Board of Education shall adopt rules to provide for the distribution of  
78 monies to charter schools under this section.

79 (4) (a) The Legislature shall provide an appropriation for charter schools for each of  
80 their students to replace some of the local property tax revenues that are not available to charter  
81 schools. The amount of money provided for each charter school student shall be determined  
82 by:

83 [~~(a)~~] (i) calculating the sum of:

84 [~~(i)~~] (A) school districts' operations and maintenance revenues derived from local  
85 property taxes, except revenues from imposing a minimum basic tax rate pursuant to Section  
86 53A-17a-135;

87 [~~(i)~~] (B) school districts' capital projects revenues derived from local property taxes;

88 and

89 [~~(iii)~~] (C) school districts' expenditures for interest on debt; and

90 [~~(b)~~] (ii) dividing the sum by the total average daily membership of the districts'  
91 schools.

92 (b) Of the monies provided to a charter school under Subsection (4)(a), 10% shall be  
93 expended for funding school facilities only.

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

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

98 (7) (a) Notwithstanding Subsection (2), a charter school is not eligible to receive state  
99 transportation funding.

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

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

104 (8) (a) (i) The state superintendent of public instruction may allocate grants for both  
105 start-up and ongoing costs to eligible charter school applicants from monies appropriated for  
106 the implementation of this part.

107 (ii) Applications for the grants shall be filed on a form determined by the state  
108 superintendent and in conjunction with the application for a charter.

109 (iii) The amount of a grant may vary based upon the size, scope, and special  
110 circumstances of the charter school.

111 (iv) The governing board of the charter school shall use the grant to meet the expenses  
112 of the school as established in the school's charter.

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

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

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

123 (10) The State Office of Education shall use up to \$1,044,000 of funding provided for  
124 new growth to fund additional growth needs in charter schools in fiscal year 2005.

125 Section 2. Section **53A-2-206** is amended to read:

126 **53A-2-206. Exchange and interstate compact students -- Inclusion in attendance**  
127 **count -- Annual report -- Requirements for exchange student agencies.**

128 (1) A school district or charter school may include the following students in the  
129 district's or school's membership and attendance [of students] count for the purpose of  
130 apportionment of state monies [if]:

131 (a) [~~(i) the student is~~] a foreign exchange student sponsored by an agency approved by  
132 the [~~State Board of Education, and~~] district's local school board or charter school's governing  
133 board, subject to the limitation of Subsection (2);

134 [~~(ii) the agency sponsoring the foreign exchange student is also sponsoring a resident~~  
135 ~~student of the district who is enrolled in a school in a foreign country;~~]

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

140 (c) [~~the~~] a student [~~is~~] receiving services under the Compact on Placement of Children.

141 (2) The number of foreign exchange students that may be counted for the purpose of  
142 apportioning state monies shall be the lesser of:

143 (a) the number of foreign exchange students:

144 (i) enrolled in the school district or charter school; and

145 (ii) sponsored by an exchange student agency approved by the district's local school  
146 board or charter school's governing board; or

147 (b) the number of students that have withdrawn from the school district or charter  
148 school to participate in a foreign exchange program in a foreign country.

149 (3) A school district or charter school may:

150 (a) enroll foreign exchange students that do not qualify for state monies; and  
151 (b) pay for the costs of those students with other funds available to the school district  
152 or charter school.

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

158 [~~2~~] (5) The board shall make an annual report to the Legislature on the number of  
159 exchange students and the number of interstate compact students sent to or received from  
160 public schools outside the state.

161 [~~3~~] (6) (a) [~~The~~] A local school board or charter school governing board shall require  
162 each approved exchange student agency to provide it with a sworn affidavit of compliance  
163 prior to the beginning of each school year.

164 (b) The affidavit shall include the following assurances:

165 (i) that the agency has complied with all applicable [~~rules~~] policies of the board;

166 (ii) that a household study, including a background check of all adult residents, has  
167 been made of each household where an exchange student is to reside, and that the study was of  
168 sufficient scope to provide reasonable assurance that the exchange student will receive proper  
169 care and supervision in a safe environment;

170 (iii) that host parents have received training appropriate to their positions, including  
171 information about enhanced criminal penalties under Subsection 76-5-406(10) for persons who  
172 are in a position of special trust;

173 (iv) that a representative of the exchange student agency shall visit each student's place  
174 of residence at least once each month during the student's stay in Utah;

175 (v) that the agency will cooperate with school and other public authorities to ensure  
176 that no exchange student becomes an unreasonable burden upon the public schools or other  
177 public agencies;

178 (vi) that each exchange student will be given in the exchange student's native language  
179 names and telephone numbers of agency representatives and others who could be called at any  
180 time if a serious problem occurs; and

181 (vii) that alternate placements are readily available so that no student is required to  
182 remain in a household if conditions appear to exist which unreasonably endanger the student's  
183 welfare.

184 ~~[(4)]~~ (7) (a) ~~[The]~~ A local school board or charter school governing board shall provide  
185 each approved exchange student agency with a list of names and telephone numbers of  
186 individuals not associated with the agency who could be called by an exchange student in the  
187 event of a serious problem.

188 (b) The agency shall make a copy of the list available to each of its exchange students  
189 in the exchange student's native language.

190 Section 3. Section **53A-15-401** is amended to read:

191 **53A-15-401. State Board of Education to supervise.**

192 (1) The general control and supervision, but not the direct management, of adult  
193 education is vested in the State Board of Education.

194 (2) The board has the following powers:

195 (a) makes and enforces rules to organize, conduct, and supervise adult education;

196 (b) appoints state staff for the adult education program, establishes their duties, and  
197 fixes their compensation;

198 (c) determines the qualifications of, and issues teaching certificates to, persons  
199 employed to give adult education instruction; and

200 (d) determines the basis of apportionment and distributes funds made available for  
201 adult education.

202 (3) (a) The State Board of Education shall make rules providing for the establishment  
203 of fees which shall be imposed by local school boards for participation in adult education  
204 programs.

205 (b) A fee structure for adult education shall take into account the ability of a Utah  
206 resident who participates in adult education to pay the fees.

207 (c) Sections 53A-12-103 and 53A-12-104 pertaining to fees and fee waivers in  
208 secondary schools do not apply to adult education.

209 Section 4. Section **53A-15-403** is amended to read:

210 **53A-15-403. Local school boards' authority to direct adult education programs.**

211 A local school board may do the following:

212 (1) establish and maintain classes for adult education, with classes being held at times  
213 and places convenient and accessible to the members of the class;

214 (2) raise and appropriate funds for an adult education program;

215 (3) subject to ~~[Section]~~ Sections 53A-12-101 and 53A-15-401, determine fees for  
216 participation in an adult education program; and

217 (4) hire persons to instruct adult education classes.

218 Section 5. Section **53A-17a-103** is amended to read:

219 **53A-17a-103. Definitions.**

220 As used in this chapter:

221 (1) "Basic state-supported school program" or "basic program" means public education  
222 programs for kindergarten, elementary, and secondary school students that are operated and  
223 maintained for the amount derived by multiplying the number of weighted pupil units for each  
224 district by ~~[\$2,150]~~ \$2,182, except as otherwise provided in this chapter.

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

227 (a) the amount of property tax revenue to be generated statewide in the previous year  
228 from imposing a minimum basic tax rate, as specified in Subsection 53A-17a-135(1)(a); and

229 (b) the product of:

230 (i) new growth, as defined in Section 59-2-924 and rules of the State Tax Commission;  
231 and

232 (ii) the minimum basic tax rate certified by the State Tax Commission for the previous  
233 year.

234 (3) "Leeway program" or "leeway" means a state-supported voted leeway program or  
235 board leeway program authorized under Section 53A-17a-133 or 53A-17a-134.

236 (4) "Pupil in average daily membership (ADM)" means a full-day equivalent pupil.

237 (5) (a) "State-supported minimum school program" or "minimum school program"  
238 means public school programs for kindergarten, elementary, and secondary schools as  
239 described in this Subsection (5).

240 (b) The minimum school program established in the districts shall include the  
241 equivalent of a school term of nine months as determined by the State Board of Education.

242 (c) (i) The board shall establish the number of days or equivalent instructional hours



243 that school is held for an academic school year.

244 (ii) Education, enhanced by utilization of technologically enriched delivery systems,  
245 when approved by local school boards, shall receive full support by the State Board of  
246 Education as it pertains to fulfilling the attendance requirements, excluding time spent viewing  
247 commercial advertising.

248 (d) The program includes the total of the following annual costs:

249 (i) the cost of a basic state-supported school program; and

250 (ii) other amounts appropriated in this chapter in addition to the basic program.

251 (6) "Weighted pupil unit or units or WPU or WPUs" means the unit of measure of  
252 factors that is computed in accordance with this chapter for the purpose of determining the  
253 costs of a program on a uniform basis for each district.

254 Section 6. Section **53A-17a-104** is amended to read:

255 **53A-17a-104. Amount of state's contribution toward minimum school program.**

256 (1) The total contribution of the state toward the cost of the minimum school program  
257 may not exceed the sum of [~~\$1,611,343,274~~] \$1,698,739,911 for the fiscal year beginning July  
258 1, [~~2003~~] 2004, except as otherwise provided by the Legislature through supplemental  
259 appropriations.

260 (2) [~~There~~] As on ongoing appropriation subject to future budget constraints, there is  
261 appropriated from the Uniform School Fund for fiscal year 2004-05 to the State Board of  
262 Education for distribution to school districts and charter schools, in accordance with this  
263 chapter, monies for the following purposes and in the following amounts:

264 (a) basic program - kindergarten, [~~\$43,930,950 (20,433 WPUs)~~] \$49,053,542 (22,481  
265 WPUs);

266 (b) basic program - grades 1-12, [~~\$930,195,350 (432,649 WPUs)~~] \$956,377,146  
267 (438,303 WPUs);

268 (c) basic program - professional staff, [~~\$89,328,200 (41,548 WPUs)~~] \$93,420,148  
269 (42,814 WPUs);

270 (d) basic program - administrative costs, [~~\$3,558,250 (1,655 WPUs)~~] \$3,626,484  
271 (1,662 WPUs);

272 (e) basic program - necessarily existent small schools and units for consolidated  
273 schools, [~~\$16,193,800 (7,532 WPUs)~~] \$16,729,394 (7,667 WPUs);

- 274 (f) special education - regular program - add-on WPU for students with disabilities,  
 275 [~~\$115,001,350 (53,489 WPU)~~] \$117,590,162 (53,891 WPU);
- 276 (g) preschool special education program, [~~\$13,478,350 (6,269 WPU)~~] \$14,540,848  
 277 (6,664 WPU);
- 278 (h) self-contained regular WPU, [~~\$26,696,550 (12,417 WPU)~~] \$27,447,378 (12,579  
 279 WPU);
- 280 (i) extended year program for severely disabled, [~~\$690,150 (321 WPU)~~] \$765,882  
 281 (351 WPU);
- 282 (j) special education programs in state institutions and district impact aid, [~~\$2,919,700~~  
 283 ~~(1,358 WPU)~~] \$3,006,796 (1,378 WPU);
- 284 (k) applied technology and technical education district programs, [~~\$50,198,200 (23,348~~  
 285 ~~WPU)~~] \$51,709,036 (23,698 WPU), including [~~\$915,861~~] \$943,426 for summer applied  
 286 technology agriculture programs;
- 287 (l) applied technology district set-aside, [~~\$2,139,250 (995 WPU)~~] \$2,203,820 (1,010  
 288 WPU);
- 289 (m) class size reduction, [~~\$63,977,550 (29,757 WPU)~~] \$65,902,946 (30,203 WPU);
- 290 (n) Social Security and retirement programs, [~~\$232,739,964~~] \$261,482,231;
- 291 (o) pupil transportation to and from school, [~~\$56,245,567~~] \$57,061,128, of which not  
 292 less than [~~\$1,952,878~~] \$1,981,195 shall be allocated to the Utah Schools for the Deaf and Blind  
 293 to pay for transportation costs of the schools' students;
- 294 (p) guarantee transportation levy, \$500,000;
- 295 (q) Local Discretionary Block Grant Program, \$21,824,448;
- 296 (r) Interventions for Student Success Block Grant Program, [~~\$15,308,708, of which~~  
 297 ~~\$400,000 shall be used for special intervention summer programs~~] \$14,908,708;
- 298 (s) Quality Teaching Block Grant Program, \$57,426,623;
- 299 [~~(t) math and science - beginning teacher recruitment, \$600,000;~~]
- 300 [~~(t)~~] (t) highly impacted schools, \$5,123,207;
- 301 [~~(v)~~] (u) at-risk programs, \$24,778,484;
- 302 [~~(w)~~] (v) adult education, \$5,826,865;
- 303 [~~(x)~~] (w) accelerated learning programs, \$8,695,104;
- 304 [~~(y)~~] (x) electronic high school, [~~\$400,000~~] \$700,000;

305 [~~(z)~~] (y) School LAND Trust Program, [~~\$10,050,000~~] \$8,820,000;  
306 [~~(aa)~~] (z) state-supported voted leeway, [~~\$149,234,487~~] \$159,084,242;  
307 [~~(bb)~~] (aa) state-supported board leeway, [~~\$43,367,832~~] \$45,357,016; and  
308 [~~(cc)~~] (bb) charter schools, pursuant to Section 53A-1a-513, [~~\$2,377,172~~] \$5,002,450.

309 Section 7. Section **53A-17a-131.17** is amended to read:

310 **53A-17a-131.17. State contribution for School LAND Trust Program.**

311 [~~(1) (a) Except as provided in Subsection (1)(b), there is appropriated \$10,050,000 to~~  
312 ~~the State Board of Education as the state's contribution for the School LAND Trust Program for~~  
313 ~~the fiscal year beginning July 1, 2003;~~]

314 [~~(b)~~] (1) If the amount of money in the Uniform School Fund described in Subsection  
315 53A-16-101.5(2) is less than or greater than [~~\$10,050,000~~] the money appropriated in Section  
316 53A-17a-104 for the School LAND Trust Program, the appropriation shall be equal to the  
317 amount of money in the Uniform School Fund described in Subsection 53A-16-101.5(2), up to  
318 a maximum of \$12,000,000.

319 (2) The State Board of Education shall distribute the money appropriated in Subsection  
320 (1) in accordance with Section 53A-16-101.5 and rules established by the board in accordance  
321 with Title 63, Chapter 46a, Utah Administrative Rulemaking Act.

322 Section 8. Section **53A-17a-133** is amended to read:

323 **53A-17a-133. State-supported voted leeway program authorized -- Election**  
324 **requirements -- State guarantee -- Reconsideration of the program.**

325 (1) An election to consider adoption or modification of a voted leeway program is  
326 required if initiative petitions signed by 10% of the number of electors who voted at the last  
327 preceding general election are presented to the local school board or by action of the board.

328 (2) (a) (i) To establish a voted leeway program, a majority of the electors of a district  
329 voting at an election in the manner set forth in Section 53A-16-110 must vote in favor of a  
330 special tax.

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

332 (b) The district may maintain a school program which exceeds the cost of the program  
333 referred to in Section 53A-17a-145 with this voted leeway.

334 (c) In order to receive state support the first year, a district must receive voter approval  
335 no later than December 1 of the year prior to implementation.

336 (3) (a) Under the voted leeway program, the state shall contribute an amount sufficient  
337 to guarantee [~~\$17.14~~] \$17.54 per weighted pupil unit for each .0001 of the first .0016 per dollar  
338 of taxable value.

339 (b) The same dollar amount guarantee per weighted pupil unit for the .0016 per dollar  
340 of taxable value under Subsection (3)(a) shall apply to the board-approved leeway authorized  
341 in Section 53A-17a-134, so that the guarantee shall apply up to a total of .002 per dollar of  
342 taxable value if a school district levies a tax rate under both programs.

343 (c) (i) Beginning July 1, [~~2004~~] 2005, the [~~\$17.14~~] \$17.54 guarantee under Subsections  
344 (3)(a) and (b) shall be indexed each year to the value of the weighted pupil unit by making the  
345 value of the guarantee equal to .008544 times the value of the prior year's weighted pupil unit.

346 (ii) The guarantee shall increase by .0005 times the value of the prior year's weighted  
347 pupil unit for each succeeding year until the guarantee is equal to .010544 times the value of  
348 the prior year's weighted pupil unit.

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

353 (ii) Subsection (3)(d)(i) applies for a period of two years following any such change in  
354 the certified tax rate.

355 (4) (a) An election to modify an existing voted leeway program is not a reconsideration  
356 of the existing program unless the proposition submitted to the electors expressly so states.

357 (b) A majority vote opposing a modification does not deprive the district of authority to  
358 continue an existing program.

359 (c) If adoption of a leeway program is contingent upon an offset reducing other local  
360 school board levies, the board must allow the electors, in an election, to consider modifying or  
361 discontinuing the program prior to a subsequent increase in other levies that would increase the  
362 total local school board levy.

363 (d) Nothing contained in this section terminates, without an election, the authority of a  
364 school district to continue an existing voted leeway program previously authorized by the  
365 voters.

366 Section 9. Section **53A-17a-134** is amended to read:

367 **53A-17a-134. Board-approved leeway -- Purpose -- State support -- Disapproval.**

368 (1) Each local school board may levy a tax rate of up to .0004 per dollar of taxable  
369 value to maintain a school program above the cost of the basic school program as follows:

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

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

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

379 (2) (a) The state shall contribute an amount sufficient to guarantee [~~\$17.14~~] \$17.54 per  
380 weighted pupil unit for each .0001 per dollar of taxable value.

381 (b) The guarantee shall increase in the same manner as provided for the voted leeway  
382 guarantee in Subsections 53A-17a-133(3)(c)(i) and (ii).

383 (3) The levy authorized under this section is not in addition to the maximum rate of  
384 .002 authorized in Section 53A-17a-133, but is a board-authorized component of the total tax  
385 rate under that section.

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

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

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

397 (b) The approval and disapproval votes authorized in Subsections (4) and (5) shall

398 occur at a general election in even-numbered years, except that a vote required under this  
399 section in odd-numbered years shall occur at a special election held on a day in odd-numbered  
400 years that corresponds to the general election date. The school district shall pay for the cost of  
401 a special election.

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

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

406 (8) A board levy election does not require publication of a voter information pamphlet.  
407 Section 10. Section **53A-17a-135** is amended to read:

408 **53A-17a-135. Minimum basic tax rate -- Certified revenue levy.**

409 (1) (a) In order to qualify for receipt of the state contribution toward the basic program  
410 and as its contribution toward its costs of the basic program, each school district shall impose a  
411 minimum basic tax rate per dollar of taxable value that generates [~~\$212,110,681~~] \$217,590,703  
412 in revenues statewide.

413 (b) The preliminary estimate for the [~~2003-04~~] 2004-05 minimum basic tax rate is  
414 [~~0.001743~~] .001754.

415 (c) The State Tax Commission shall certify on or before June 22 the rate that generates  
416 [~~\$212,110,681~~] \$217,590,703 in revenues statewide.

417 (d) If the minimum basic tax rate exceeds the certified revenue levy as defined in  
418 Section 53A-17a-103, the state is subject to the notice requirements of Section 59-2-926.

419 (2) (a) The state shall contribute to each district toward the cost of the basic program in  
420 the district that portion which exceeds the proceeds of the levy authorized under Subsection  
421 (1).

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

426 (3) (a) If the proceeds of the levy authorized under Subsection (1) equal or exceed the  
427 cost of the basic program in a school district, no state contribution shall be made to the basic  
428 program.

429 (b) The proceeds of the levy authorized under Subsection (1) which exceed the cost of  
430 the basic program shall be paid into the Uniform School Fund as provided by law.

431 Section 11. Section **53A-17a-148** is amended to read:

432 **53A-17a-148. Use of nonlapsing balances.**

433 (1) For the fiscal year beginning on July 1, [~~2003~~] 2004, the State Board of Education  
434 may use up to \$300,000 of nonlapsing balances for the following:

435 (a) to stabilize the value of the weighted pupil unit;

436 (b) to maintain program levels in school districts that may experience unanticipated  
437 and unforeseen losses of students;

438 (c) to equalize programs in school districts where a strict application of the law  
439 provides inequity;

440 (d) to pay the added cost when students attend school out of state; and

441 [~~(e) to assist in the operation of the laboratory school at Utah State University, through  
442 the allocation of monies for a career ladder program at the school; and]~~

443 [~~(f)~~] (e) other uses approved by the board.

444 (2) For the fiscal year beginning on July 1, [~~2003~~] 2004, the State Board of Education  
445 may use up to [~~\$2,500,000~~] \$1,000,000 of uncommitted nonlapsing balances for adult high  
446 school completion and adult basic skill programs.

447 (3) For the fiscal year beginning on July 1, 2004, the State Board of Education shall  
448 use Minimum School Program nonlapsing balances to supplement the appropriation to charter  
449 schools for the replacement of local property tax revenues, up to the amount allowed under  
450 their formula detailed in Subsection 53A-1a-513(4).

451 Section 12. Section **53A-17a-149** is amended to read:

452 **53A-17a-149. Funds for classroom supplies.**

453 (1) If the interest and dividends deposited in the Uniform School Fund from the  
454 investment of monies in the Permanent State School Fund are sufficient to provide the  
455 maximum amount of funds to the School LAND Trust Program as provided in Section  
456 53A-16-101.5, the balance of the interest and dividends, up to a maximum of \$10,000,000,  
457 shall be appropriated by the Legislature for teachers' classroom supplies.

458 (2) (a) Money appropriated for classroom supplies pursuant to Subsection (1) shall be  
459 distributed to classroom teachers in school districts, the Schools for the Deaf and the Blind, the

460 Edith Bowen Laboratory School, and charter schools on the basis of the number of classroom  
461 teachers in each school as compared to the total number of classroom teachers.

462 (b) Each teacher in grades kindergarten through six shall receive up to \$225 and each  
463 teacher in grades seven through 12 shall receive up to \$175 from the appropriation.

464 (c) Teachers shall spend the money for school supplies, materials, or field trips under  
465 rules adopted by the State Board of Education.

466 (d) As used in this section, "classroom teacher" or "teacher" means permanent teacher  
467 positions filled by one teacher or two or more job-sharing teachers:

468 (i) who are licensed personnel;

469 (ii) who are paid on the teacher's salary schedule;

470 (iii) who are hired for an entire contract period; and

471 (iv) whose primary function is to provide instructional or a combination of  
472 instructional and counseling services to students in public schools.

473 Section 13. Section **53A-21-105** is amended to read:

474 **53A-21-105. State contribution to capital outlay programs.**

475 (1) [~~The state contribution toward the cost of the programs established under Section~~  
476 ~~53A-21-102 for the fiscal year beginning July 1, 2003, shall consist of an appropriation totaling~~  
477 ~~\$27,228,900 to the State Board of Education]~~ As an ongoing appropriation subject to future  
478 budget constraints, there is appropriated from the Uniform School Fund for fiscal year  
479 2004-05, \$27,288,900 to the State Board of Education for the capital outlay programs created  
480 in Section 53A-21-102.

481 (2) Of the monies appropriated in Subsection (1), the State Board of Education shall  
482 distribute:

483 (a) \$24,358,000 in accordance with the Capital Outlay Foundation Program described  
484 in Section 53A-21-103; and

485 (b) \$2,930,900 in accordance with the Enrollment Growth Program described in  
486 Section 53A-21-103.5.

487 Section 14. **Appropriation to University of Utah Reading Clinic.**

488 As an ongoing appropriation subject to future budget constraints, there is appropriated  
489 from the Uniform School Fund for fiscal year 2004-05, \$375,000 to the University of Utah for  
490 the University of Utah Reading Clinic.



491 Section 15. **One-time appropriation for fiscal year 2004-05.**

492 (1) There is appropriated from the Uniform School Fund to the State Board of  
493 Education, for fiscal year 2004-05 only:

494 (a) \$5,500,000 for classroom supplies and materials to be distributed to, and expended  
495 by, teachers in accordance with Subsection 53A-17a-149(2);

496 (b) \$1,600,000 for adult education; and

497 (c) \$17,200,400 for a bonus for employees of school districts and charter schools.

498 (2) It is the intent of the Legislature that the appropriation under Subsection (1)(c)

499 shall:

500 (a) fund a 1% cost-of-living allowance for employees of school districts and charter  
501 schools effective June 19, 2004; and

502 (b) be distributed as a one-time bonus in December 2004 to each school district and  
503 charter school employee, calculated on an FTE equivalent basis.

504 Section 16. **One-time appropriation for fiscal year 2003-04.**

505 (1) There is appropriated from the Uniform School Fund to the State Board of  
506 Education, for fiscal year 2003-04 only:

507 (a) \$716,000 to be distributed to charter schools for the replacement of local property  
508 tax revenues pursuant to Section 53A-1a-513; and

509 (b) \$175,000 for the Electronic High School.

510 (2) It is the intent of the Legislature that the funds appropriated in fiscal year 2003-04  
511 to the Electronic High School be nonlapsing. These funds shall be used to fund growth needs  
512 in the current school year and fund anticipated growth in the 2004-05 school year.

513 Section 17. **Legislative intent.**

514 It is the intent of the Legislature:

515 (1) to recognize the additional cost of training and or testing related to being  
516 recognized as a "Highly Qualified Teacher" and encourage the state and local school districts to  
517 give consideration to funding through the Quality Teaching Block Grant the additional out of  
518 pocket expense that current certified teachers will be asked to bear a high priority; and

519 (2) that \$2,500,000 for the Performance Plus Reading Initiative is one-time for fiscal  
520 year 2004-05, with the understanding that the Legislature will consider ongoing funding in  
521 subsequent years.

522           Section 18. **Effective date.**

523           This bill takes effect on July 1, 2004, except that uncodified Section 16, One-time  
524 appropriation for fiscal year 2003-04 takes effect on May 4, 2004.