

**MINIMUM SCHOOL PROGRAM ACT**

**AMENDMENTS**

2005 GENERAL SESSION

STATE OF UTAH

**Sponsor: Gordon E. Snow**

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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 2005-06 of \$1,783,631,186;
- ▶ establishes the value of the weighted pupil unit at \$2,258;
- ▶ appropriates \$27,288,900 to the State Board of Education for fiscal year 2005-06 for school building aid programs for school districts;
- ▶ directs the state superintendent to include certain expenditure data in an annual report to the governor and the Legislature; and
- ▶ imposes a deadline for the authorization of a charter school in order to qualify for certain state funds.

**Monies Appropriated in this Bill:**

This bill appropriates for fiscal year 2005-06:

- ▶ \$1,773,711,186 from the Uniform School Fund; and
- ▶ \$9,920,000 from the Interest and Dividends Account.

**Other Special Clauses:**

This bill provides an effective date.

**Utah Code Sections Affected:**



28 AMENDS:

29 **53A-1-301**, as last amended by Chapters 221 and 315, Laws of Utah 2003

30 **53A-1a-513**, as last amended by Chapter 257, Laws of Utah 2004

31 **53A-17a-103**, as last amended by Chapter 257, Laws of Utah 2004

32 **53A-17a-104**, as last amended by Chapter 257, Laws of Utah 2004

33 **53A-17a-135**, as last amended by Chapter 257, Laws of Utah 2004

34 **53A-17a-148**, as last amended by Chapter 257, Laws of Utah 2004

35 **53A-21-105**, as last amended by Chapter 257, Laws of Utah 2004



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

38 Section 1. Section **53A-1-301** is amended to read:

39 **53A-1-301. Appointment -- Qualifications -- Duties.**

40 (1) (a) The State Board of Education shall appoint a superintendent of public  
41 instruction, hereinafter called the state superintendent, who is the executive officer of the board  
42 and serves at the pleasure of the board.

43 (b) The board shall appoint the state superintendent on the basis of outstanding  
44 professional qualifications.

45 (c) The state superintendent shall administer all programs assigned to the State Board  
46 of Education in accordance with the policies and the standards established by the board.

47 (2) The superintendent shall develop a statewide education strategy focusing on core  
48 academics, including the development of:

49 (a) core curriculum and graduation requirements;

50 (b) a process to select instructional materials that best correlate to the core curriculum  
51 and graduation requirements that are supported by generally accepted scientific standards of  
52 evidence;

53 (c) professional development programs for teachers, superintendents, and principals;

54 (d) remediation programs;

55 (e) a method for creating individual student learning targets, and a method of  
56 measuring an individual student's performance toward those targets;

57 (f) progress-based assessments for ongoing performance evaluations of districts and  
58 schools;

59 (g) incentives to achieve the desired outcome of individual student progress in core  
60 academics, and which do not create disincentives for setting high goals for the students;

61 (h) an annual report card for school and district performance, measuring learning and  
62 reporting progress-based assessments;

63 (i) a systematic method to encourage innovation in schools and school districts as they  
64 strive to achieve improvement in their performance; and

65 (j) a method for identifying and sharing best demonstrated practices across districts and  
66 schools.

67 (3) The superintendent shall perform duties assigned by the board, including the  
68 following:

69 (a) investigating all matters pertaining to the public schools;

70 (b) adopting and keeping an official seal to authenticate the superintendent's official  
71 acts;

72 (c) holding and conducting meetings, seminars, and conferences on educational topics;

73 (d) presenting to the governor and the Legislature each December a report of the public  
74 school system for the preceding year to include:

75 (i) data on the general condition of the schools with recommendations considered  
76 desirable for specific programs;

77 (ii) a complete statement of fund balances;

78 (iii) a complete statement of revenues by fund and source;

79 (iv) a complete statement of adjusted expenditures by fund, the status of bonded  
80 indebtedness, the cost of new school plants, and school levies;

81 (v) a complete statement of state funds allocated to each of the state's 40 school  
82 districts by source, including supplemental appropriations, and a complete statement of  
83 expenditures by each district, including supplemental appropriations, by function and object as  
84 outlined in the U.S. Department of Education publication "Financial Accounting for Local and  
85 State School Systems";

86 (vi) a complete statement, by school district ~~H~~→ and charter school ←~~H~~, of the  
87 amount of and percentage increase  
88 or decrease in expenditures from the previous year attributed to:

89 (A) wage increases, with expenditure data for base salary adjustments identified  
separately from step and lane expenditures;

90            (B) medical and dental premium cost adjustments; and  
91            (C) adjustments in the number of teachers and other staff;  
92            [~~(vi)~~] (vii) a statement that includes such items as fall enrollments, average  
93 membership, high school graduates, licensed and classified employees, pupil-teacher ratios,  
94 class sizes, average salaries, applicable private school data, and data from standardized  
95 norm-referenced tests in grades 5, 8, and 11 on each school and district;  
96            [~~(vii)~~] (viii) statistical information regarding incidents of delinquent activity in the  
97 schools or at school-related activities with separate categories for:  
98            (A) alcohol and drug abuse;  
99            (B) weapon possession;  
100           (C) assaults; and  
101           (D) arson;  
102           [~~(viii)~~] (ix) information about:  
103           (A) the development and implementation of the strategy of focusing on core  
104 academics;  
105           (B) the development and implementation of competency-based education and  
106 progress-based assessments; and  
107           (C) the results being achieved under Subsections (3)(d)[~~(viii)~~](ix)(A) and (B), as  
108 measured by individual progress-based assessments and the comparison of Utah Students'  
109 progress with the progress of students in other states using standardized norm-referenced tests  
110 as benchmarks; and  
111           [~~(ix)~~] (x) other statistical and financial information about the school system which the  
112 superintendent considers pertinent;  
113           (e) collecting and organizing education data into an automated decision support system  
114 to facilitate school district and school improvement planning, accountability reporting and  
115 performance recognition, and the evaluation of educational policy and program effectiveness to  
116 include:  
117           (i) data that are:  
118           (A) comparable across schools and school districts;  
119           (B) appropriate for use in longitudinal studies; and  
120           (C) comprehensive with regard to the data elements required under applicable state or

121 federal law or state board rule;

122 (ii) features that enable users, most particularly school administrators, teachers, and

123 parents, to:

124 (A) retrieve school and school district level data electronically;

125 (B) interpret the data visually; and

126 (C) draw conclusions that are statistically valid; and

127 (iii) procedures for the collection and management of education data that:

128 (A) require the state superintendent of public instruction to:

129 (I) collaborate with school districts in designing and implementing uniform data

130 standards and definitions;

131 (II) undertake or sponsor research to implement improved methods for analyzing

132 education data;

133 (III) provide for data security to prevent unauthorized access to or contamination of the

134 data; and

135 (IV) protect the confidentiality of data under state and federal privacy laws; and

136 (B) require all school districts to comply with the data collection and management

137 procedures established under Subsection (3)(e); and

138 (f) with the approval of the board, preparing and submitting to the governor a budget

139 for the board to be included in the budget that the governor submits to the Legislature.

140 (4) Upon leaving office, the state superintendent shall deliver to his successor all

141 books, records, documents, maps, reports, papers, and other articles pertaining to his office.

142 Section 2. Section **53A-1a-513** is amended to read:

143 **53A-1a-513. Funding for charter schools.**

144 (1) (a) Charter schools shall receive funding as described in this section, except

145 Subsections (2) through (7) do not apply to charter schools described in Subsection (1)(b).

146 (b) Charter schools sponsored by local school boards that are converted from district

147 schools or operate in district facilities without paying reasonable rent shall receive funding as

148 prescribed in Section 53A-1a-515.

149 (2) (a) Except as provided in Subsection (2)(b), a charter school shall receive state

150 funds, as applicable, on the same basis as a school district receives funds.

151 (b) In distributing funds under Title 53A, Chapter 17a, Minimum School Program Act,

152 to charter schools, charter school pupils shall be weighted, where applicable, as follows:

- 153 (i) .55 for kindergarten pupils;
- 154 (ii) .9 for pupils in grades 1-6;
- 155 (iii) .99 for pupils in grades 7-8; and
- 156 (iv) 1.2 for pupils in grades 9-12.

157 (c) The State Board of Education shall make rules in accordance with Title 63, Chapter  
158 46a, Utah Administrative Rulemaking Act, to administer Subsection (2)(b), including hold  
159 harmless provisions to maintain a charter elementary school's funding level for a period of two  
160 years after the effective date of the distribution formula.

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

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

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

- 169 (i) calculating the sum of:
  - 170 (A) school districts' operations and maintenance revenues derived from local property
  - 171 taxes, except revenues from imposing a minimum basic tax rate pursuant to Section
  - 172 53A-17a-135;
  - 173 (B) school districts' capital projects revenues derived from local property taxes; and
  - 174 (C) school districts' expenditures for interest on debt; and
- 175 (ii) dividing the sum by the total average daily membership of the districts' schools.

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

178 (c) To qualify for money under Subsection (4)(a), a new charter school shall, by  
179 ~~H~~→ [November 30] September 30 ←~~H~~ of the school year prior to the school year it intends

179a to begin operations:

- 180 (i) obtain approval of its application for a charter from:
  - 181 (A) the State Board of Education, pursuant to Section 53A-1a-505; or
  - 182 (B) a local school board, pursuant to Section 53A-1a-515; and

183           (ii) submit to the chartering entity an estimate of the charter school's first year  
184 enrollment.

185           (d) Subsection (4)(c) does not apply to charter schools beginning operations in the  
186 2005-06 school year.

187           (e) By December 1, the State Charter School Board shall submit to the Governor's  
188 Office of Planning and Budget and the Office of the Legislative Fiscal Analyst an estimate of  
189 total charter school enrollment in the state for the following school year.

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

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

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

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

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

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

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

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

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

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

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

214 part.

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

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

221 Section 3. Section **53A-17a-103** is amended to read:

222 **53A-17a-103. Definitions.**

223 As used in this chapter:

224 (1) "Basic state-supported school program" or "basic program" means public education  
225 programs for kindergarten, elementary, and secondary school students that are operated and  
226 maintained for the amount derived by multiplying the number of weighted pupil units for each  
227 district by [~~\$2,182~~] \$2,258, except as otherwise provided in this chapter.

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

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

232 (b) the product of:

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

234 and

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

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

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

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

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



245 (c) (i) The board shall establish the number of days or equivalent instructional hours  
246 that school is held for an academic school year.

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

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

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

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

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

257 Section 4. Section **53A-17a-104** is amended to read:

258 **53A-17a-104. Amount of state's contribution toward minimum school program.**

259 (1) The total contribution of the state toward the cost of the minimum school program  
260 may not exceed the sum of [~~\$1,698,739,911~~] \$1,783,631,186 for the fiscal year beginning July  
261 1, [~~2004~~] 2005, except as otherwise provided by the Legislature through supplemental  
262 appropriations.

263 (2) [~~As an ongoing appropriation subject to future budget constraints, there~~] There is  
264 appropriated [from the Uniform School Fund] from state and local funds for fiscal year  
265 [~~2004-05~~] 2005-06 to the State Board of Education for distribution to school districts and  
266 charter schools, in accordance with this chapter, monies for the following purposes and in the  
267 following amounts:

268 (a) basic program - kindergarten, [~~\$49,053,542 (22,481 WPUs)~~] \$51,412,402 (22,769  
269 WPUs);

270 (b) basic program - grades 1-12, [~~\$956,377,146 (438,303 WPUs)~~] \$1,004,956,770  
271 (445,065 WPUs);

272 (c) basic program - professional staff, [~~\$93,420,148 (42,814 WPUs)~~] \$98,317,836  
273 (43,542 WPUs);

274 (d) basic program - administrative costs, [~~\$3,626,484~~] \$3,752,796 (1,662 WPUs);

275 (e) basic program - necessarily existent small schools and units for consolidated

- 276 schools, [~~\$16,729,394 (7,667 WPU)s~~] \$17,607,884 (7,798 WPU)s;
- 277 (f) special education - regular program - add-on WPU)s for students with disabilities,  
278 [~~\$117,590,162 (53,891 WPU)s~~] \$124,469,992 (55,124 WPU)s;
- 279 (g) preschool special education program, [~~\$14,540,848 (6,664 WPU)s~~] \$16,375,016  
280 (7,252 WPU)s;
- 281 (h) self-contained regular WPU)s, [~~\$27,447,378 (12,579 WPU)s~~] \$29,024,332 (12,854  
282 WPU)s;
- 283 (i) extended year program for severely disabled, [~~\$765,882 (351 WPU)s~~] \$806,106  
284 (357 WPU)s;
- 285 (j) special education programs in state institutions and district impact aid, [~~\$3,006,796~~  
286 ~~(1,378 WPU)s~~] \$3,165,716 (1,402 WPU)s;
- 287 (k) applied technology and technical education district programs, [~~\$51,709,036 (23,698~~  
288 ~~WPU)s~~] \$54,417,800 (24,100 WPU)s, including [~~\$943,426~~] \$976,446 for summer applied  
289 technology agriculture programs;
- 290 (l) applied technology district set-aside, [~~\$2,203,820 (1,010 WPU)s~~] \$2,325,740 (1,030  
291 WPU)s;
- 292 (m) class size reduction, [~~\$65,902,946 (30,203 WPU)s~~] \$69,487,692 (30,774 WPU)s;
- 293 (n) Social Security and retirement programs, [~~\$261,482,231~~] \$275,460,289;
- 294 (o) pupil transportation to and from school, [~~\$57,061,128~~] \$59,058,267, of which not  
295 less than [~~\$1,981,195~~] \$2,050,537 shall be allocated to the Utah Schools for the Deaf and Blind  
296 to pay for transportation costs of the schools' students;
- 297 (p) guarantee transportation levy, \$500,000;
- 298 (q) Local Discretionary Block Grant Program, \$21,824,448;
- 299 (r) Interventions for Student Success Block Grant Program, [~~\$14,908,708~~]  
300 \$15,844,513;
- 301 (s) Quality Teaching Block Grant Program, [~~\$57,426,623~~] \$59,436,554;
- 302 (t) highly impacted schools, \$5,123,207;
- 303 (u) at-risk programs, [~~\$24,778,484~~] \$26,542,031;
- 304 (v) adult education, [~~\$5,826,865~~] \$6,030,807;
- 305 (w) accelerated learning programs, [~~\$8,695,104~~] \$8,999,433;
- 306 (x) electronic high school, [~~\$700,000~~] \$1,000,000;

307 [~~(y)~~ School LAND Trust Program, \$8,820,000-;]  
 308 [~~(z)~~] (y) state-supported voted leeway, [~~\$159,084,242~~] \$176,049,358;  
 309 [~~(aa)~~] (z) state-supported board leeway, [~~\$45,357,016~~] \$48,412,249; [~~and~~]  
 310 [~~(bb)~~] (aa) charter schools, pursuant to Section 53A-1a-513, [~~\$5,002,450-~~]  
 311 \$12,611,950; and

312 (bb) K-3 Reading Improvement Program, \$12,500,000.

313 (3) There is appropriated from the Interest and Dividends Account \$9,920,000 to the  
 314 State Board of Education for the School LAND Trust Program for the fiscal year beginning  
 315 July 1, 2005.

316 Section 5. Section **53A-17a-135** is amended to read:

317 **53A-17a-135. Minimum basic tax rate -- Certified revenue levy.**

318 (1) (a) In order to qualify for receipt of the state contribution toward the basic program  
 319 and as its contribution toward its costs of the basic program, each school district shall impose a  
 320 minimum basic tax rate per dollar of taxable value that generates [~~\$217,590,703~~] \$225,872,138  
 321 in revenues statewide.

322 (b) The preliminary estimate for the [~~2004-05~~] 2005-06 minimum basic tax rate is  
 323 [~~0.001754~~] .001702.

324 (c) The State Tax Commission shall certify on or before June 22 the rate that generates  
 325 [~~\$217,590,703~~] \$225,872,138 in revenues statewide.

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

328 (2) (a) The state shall contribute to each district toward the cost of the basic program in  
 329 the district that portion which exceeds the proceeds of the levy authorized under Subsection  
 330 (1).

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

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

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

340 Section 6. Section **53A-17a-148** is amended to read:

341 **53A-17a-148. Use of nonlapsing balances.**

342 (1) For the fiscal year beginning on July 1, [~~2004~~] 2005, the State Board of Education  
343 may use up to \$300,000 of nonlapsing balances for the following:

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

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

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

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

350 (e) other uses approved by the board.

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

354 [~~(3)~~] (2) For the fiscal year beginning on July 1, [~~2004~~] 2005, the State Board of  
355 Education shall use Minimum School Program nonlapsing balances to supplement the  
356 appropriation to charter schools for the replacement of local property tax revenues, up to the  
357 amount allowed under their formula detailed in Subsection 53A-1a-513(4).

358 (3) The State Board of Education may use Minimum School Program nonlapsing  
359 balances dedicated to the Public Education Job Enhancement Program to support program  
360 administration as follows:

361 (a) \$26,000 is authorized in fiscal year 2004-05; and

362 (b) \$60,000 is authorized in fiscal year 2005-06.

363 Section 7. Section **53A-21-105** is amended to read:

364 **53A-21-105. State contribution to capital outlay programs.**

365 (1) As an ongoing appropriation subject to future budget constraints, there is  
366 appropriated from the Uniform School Fund for fiscal year [~~2004-05~~] 2005-06, \$27,288,900 to  
367 the State Board of Education for the capital outlay programs created in Section 53A-21-102.

368 (2) Of the monies appropriated in Subsection (1), the State Board of Education shall

369 distribute:  
370 (a) \$24,358,000 in accordance with the Capital Outlay Foundation Program described  
371 in Section 53A-21-103; and  
372 (b) \$2,930,900 in accordance with the Enrollment Growth Program described in  
373 Section 53A-21-103.5.  
374 Section 8. **Effective date.**  
375 This bill takes effect on July 1, 2005, except that Section 53A-17a-148 takes effect on  
376 May 2, 2005.

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**Legislative Review Note**  
as of 2-11-05 9:53 AM

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

**Office of Legislative Research and General Counsel**