

**SUPPLEMENTAL MINIMUM SCHOOL PROGRAM**

**FINANCE ACT**

2005 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Gordon E. Snow**

Senate 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 the value of the weighted pupil unit at \$2,280;
- ▶ establishes a ceiling for the state contribution to the maintenance and operations portion of the Minimum School Program for fiscal year 2005-06 of \$1,795,446,575;

- ▶ modifies the funding formula for the Enrollment Growth Program;
- ▶ makes one-time appropriations to the State Board of Education for fiscal year

2004-05 for:

- the Electronic High School; and
- youth in custody programs; and
- ▶ makes one-time appropriations to the State Board of Education for fiscal year

2005-06 for:

- teachers' supplies and materials;
- online testing;
- the Enrollment Growth Program; and
- the Public Education Job Enhancement Program.

**Monies Appropriated in this Bill:**

This bill appropriates:

- ▶ as an ongoing appropriation, \$1,795,446,575 for fiscal year 2005-06; and

- ▶ \$13,721,000 in one-time appropriations.

**Other Special Clauses:**

This bill provides an effective date.

This bill provides a coordination clause with H.B. 3.

This bill provides a coordination clause with H.B. 249.

**Utah Code Sections Affected:**

AMENDS:

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

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

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

**53A-21-103.5**, as enacted by Chapter 320, Laws of Utah 2003

**Uncodified Material Affected:**

ENACTS UNCODIFIED MATERIAL

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

Section 1. Section **53A-17a-103** is amended to read:

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

As used in this chapter:

(1) "Basic state-supported school program" or "basic program" means public education programs for kindergarten, elementary, and secondary school students that are operated and maintained for the amount derived by multiplying the number of weighted pupil units for each district by [~~\$2,182~~] \$2,280, except as otherwise provided in this chapter.

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

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

(b) the product of:

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

and

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

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

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

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

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

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

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

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

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

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

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

Section 2. Section **53A-17a-104** is amended to read:

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

(1) The total contribution of the state toward the cost of the minimum school program may not exceed the sum of [~~\$1,698,739,911~~] \$1,795,446,575 for the fiscal year beginning July 1, [2004] 2005, except as otherwise provided by the Legislature through supplemental

appropriations.

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

(a) basic program - kindergarten, [~~\$49,053,542 (22,481 WPU)s~~] \$50,992,200 (22,365 WPU)s;

(b) basic program - grades 1-12, [~~\$956,377,146 (438,303 WPU)s~~] \$1,014,932,880 (445,146 WPU)s;

(c) basic program - professional staff, [~~\$93,420,148 (42,814 WPU)s~~] \$99,273,480 (43,541 WPU)s;

(d) basic program - administrative costs, [~~\$3,626,484 (1,662 WPU)s~~] \$3,789,360 (1,662 WPU)s;

(e) basic program - necessarily existent small schools and units for consolidated schools, [~~\$16,729,394 (7,667 WPU)s~~] \$17,779,440 (7,798 WPU)s;

(f) special education - regular program - add-on WPU)s for students with disabilities, [~~\$117,590,162 (53,891 WPU)s~~] \$125,589,240 (55,083 WPU)s;

(g) preschool special education program, [~~\$14,540,848 (6,664 WPU)s~~] \$16,509,480 (7,241 WPU)s;

(h) self-contained regular WPU)s, [~~\$27,447,378 (12,579 WPU)s~~] \$29,213,640 (12,813 WPU)s;

(i) extended year program for severely disabled, [~~\$765,882 (351 WPU)s~~] \$813,960 (357 WPU)s;

(j) special education programs in state institutions and district impact aid, [~~\$3,006,796 (1,378 WPU)s~~] \$3,196,560 (1,402 WPU)s;

(k) applied technology and technical education district programs, [~~\$51,709,036 (23,698 WPU)s~~] \$54,943,440 (24,098 WPU)s, including [~~\$943,426~~] \$985,880 for summer applied technology agriculture programs;

- (l) applied technology district set-aside, [~~\$2,203,820 (1,010 WPU's)~~] \$2,348,400 (1,030 WPU's);
- (m) class size reduction, [~~\$65,902,946 (30,203 WPU's)~~] \$70,162,440 (30,773 WPU's);
- (n) Social Security and retirement programs, [~~\$261,482,231~~] \$272,358,812;
- (o) pupil transportation to and from school, [~~\$57,061,128~~] \$59,058,267, of which not less than [~~\$1,981,195~~] \$2,050,537 shall be allocated to the Utah Schools for the Deaf and Blind to pay for transportation costs of the schools' students;
- (p) guarantee transportation levy, \$500,000;
- (q) Local Discretionary Block Grant Program, [~~\$21,824,448~~] \$21,820,748;
- (r) Interventions for Student Success Block Grant Program, [~~\$14,908,708~~] \$15,842,347;
- (s) Quality Teaching Block Grant Program, [~~\$57,426,623~~] \$59,428,023;
- (t) highly impacted schools, \$5,123,207;
- (u) at-risk programs, [~~\$24,778,484~~] \$26,557,600;
- (v) adult education, [~~\$5,826,865~~] \$7,630,805;
- (w) accelerated learning programs, [~~\$8,695,104~~] \$8,999,293;
- (x) electronic high school, [~~\$700,000~~] \$1,000,000;
- (y) School LAND Trust Program, [~~\$8,820,000~~] \$9,920,000;
- (z) state-supported voted leeway, [~~\$159,084,242~~] \$176,006,519;
- (aa) state-supported board leeway, [~~\$45,357,016~~] \$48,398,486; [and]
- (bb) charter schools, pursuant to Section 53A-1a-513, [~~\$5,002,450~~] \$12,559,950;
- (cc) K-3 Reading Improvement Program, \$12,500,000; and
- (dd) state-supported board leeway for K-3 Reading Improvement Program, \$15,000,000.

Section 3. Section **53A-17a-148** is amended to read:

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

- (1) For the fiscal year beginning on July 1, 2004, the State Board of Education may use up to \$300,000 of nonlapsing balances for the following:
  - (a) to stabilize the value of the weighted pupil unit;
  - (b) to maintain program levels in school districts that may experience unanticipated and

unforeseen losses of students;

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

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

(e) other uses approved by the board.

(2) For the fiscal year beginning on July 1, [2004] 2005, the State Board of Education may use up to \$1,000,000 of uncommitted nonlapsing balances for adult high school completion and adult basic skill programs.

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

Section 4. Section **53A-21-103.5** is amended to read:

**53A-21-103.5. Qualifications for participation in the Enrollment Growth Program -- State Board of Education rules -- Distribution formula.**

~~[(1)(a) In order to qualify for monies under the Enrollment Growth Program established in Section 53A-21-102, a school district must be a recipient of monies distributed under the Capital Outlay Foundation Program, except as provided in Subsection (1)(b).]~~

~~[(b) A school district that is not a recipient of Capital Outlay Foundation Program monies in fiscal year 2003-04, fiscal year 2004-05, or both, may qualify for monies under the Enrollment Growth Program if the school district received Capital Outlay Foundation Program monies in fiscal year 2002-03.]~~

(1) As used in this section:

(a) "ADM" means average daily membership.

(b) "Derived valuation" means total school district property tax current collections from April 1 through the following March 31, divided by the tax rates for the same year.

(c) "Yield per ADM" means the product of the derived valuation multiplied by .0024, divided by average daily membership.

(2) (a) The State Board of Education shall distribute monies in the Enrollment Growth Program to qualifying school districts whose:

- (i) average net enrollment for the prior three years is a net increase in enrollment[-]; and
- (ii) yield per ADM is less than two times the prior year's average yield per ADM for Utah school districts.

(b) A school district that meets the criteria of Subsection (2)(a) shall receive Enrollment Growth Program monies in the same proportion that the district's three-year average net enrollment bears to the total three-year net enrollment of all the districts that meet the criteria of Subsection (2)(a).

(c) The State Board of Education shall make rules in accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, to administer this section.

**Section 5. One-time appropriation for classroom supplies.**

(1) There is appropriated from the Uniform School Fund to the State Board of Education for fiscal year 2005-06 only, \$6,079,000 for classroom supplies and materials.

(2) (a) The board shall distribute the appropriation to classroom teachers in school districts, the Schools for the Deaf and the Blind, the Edith Bowen Laboratory School, and charter schools on the basis of the number of classroom teachers in each school as compared to the total number of classroom teachers.

(b) Teachers shall receive up to the following amounts:

(i) a teacher on salary schedule steps one through three teaching in grades kindergarten through six or preschool handicapped - \$350;

(ii) a teacher on salary schedule steps one through three teaching in grades seven through twelve - \$300;

(iii) a teacher on salary schedule step four or higher teaching in grades kindergarten through six or preschool handicapped - \$275; and

(iv) a teacher on salary schedule step four or higher teaching in grades seven through twelve - \$225.

(c) If the appropriation in Subsection (1) is not sufficient to provide to each teacher the

full amount allowed under Subsection (2)(b), teachers on salary schedule steps one through three shall receive the full amount allowed with the remaining monies apportioned to all other teachers.

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

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

(i) who are licensed personnel;

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

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

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

**Section 6. One-time appropriation for online testing and Enrollment Growth Program.**

There is appropriated from the Uniform School Fund to the State Board of Education for fiscal year 2005-06 only:

(1) \$2,500,000 to be distributed to school districts and charter schools to implement a uniform online summative test system in accordance with Section 53A-1-708; and

(2) \$5,000,000 for the Enrollment Growth Program described in Section 53A-21-103.5.

**Section 7. One-time appropriation for Public Education Job Enhancement Program.**

(1) There is appropriated from the Uniform School Fund for fiscal year 2005-06 only, (\$500,000) to the State Board of Education for the Public Education Job Enhancement Program created in Section 53A-1a-601.

(2) The appropriation in Subsection (1) is a subtraction from amounts appropriated in 2nd Substitute H.B. 188, Public Education Job Enhancement Program.

**Section 8. One-time appropriations for fiscal year 2004-05.**

There is appropriated from the Uniform School Fund to the State Board of Education for



fiscal year 2004-05 only:

(1) \$200,000 for the Electronic High School; and

(2) \$442,000 for distribution to school districts for youth in custody programs.

**Section 9. Effective date.**

This bill takes effect on July 1, 2005, except that uncodified Section 8, One-time appropriations for fiscal year 2004-05, takes effect on May 2, 2005.

**Section 10. Coordinating H.B. 382 and H.B. 3.**

(1) If this H.B. 382 and H.B. 3, Minimum School Program Act Amendments, both pass, it is the intent of the Legislature that the amendments to Sections 53A-17a-103 and 53A-17a-104 in H.B. 382 supersede the amendments to Sections 53A-17a-103 and 53A-17a-104 in H.B. 3 when the Office of Legislative Research and General Counsel prepares the Utah Code database for publication.

(2) If this H.B. 382 and H.B. 3, Minimum School Program Act Amendments, both pass, it is the intent of the Legislature that the amendments to Subsection 53A-17a-148(2) in H.B. 382 supercede the amendments to Subsection 53A-17a-148(2) in H.B. 3 and that the remaining subsections be renumbered when the Office of Legislative Research and General Counsel prepares the Utah Code database for publication.

**Section 11. Coordinating H.B. 382 with H.B. 249**

If this H.B. 382 and H.B. 249, Carson Smith Special Needs Scholarships, both pass, it is the intent of the Legislature that the Office of Legislative Research and General Counsel make the following changes in preparing the Utah Code database for publication:

(1) Subsection 53A-17a-104(1) shall read: "(1) The total contribution of the state toward the cost of the minimum school program may not exceed the sum of \$1,794,543,275 for the fiscal year beginning July 1, 2005, except as otherwise provided by the Legislature through supplemental appropriations.";

(2) Subsection 53A-17a-104(2)(f) shall read: "(f) special education - regular program - add-on WPU's for students with disabilities, \$125,076,240 (54,858 WPU's)";

(3) Subsection 53A-17a-104(2)(h) shall read: "(h) self-contained regular WPU's,

\$28,999,320 (12,719 WPU\$);";

(4) Subsection 53A-17a-104(2)(n) shall read: "(n) Social Security and retirement programs, \$272,224,533;" ;

(5) Subsection 53A-17a-104(2)(z) shall read: "(z) state-supported voted leeway, \$175,975,385;" ; and

(6) Subsection 53A-17a-104(2)(aa) shall read: "(aa) state-supported board leeway, \$48,387,919;" .