

Senator Thomas V. Hatch proposes the following substitute bill:

SCHOOL LAND TRUST PROGRAM FUNDING

AMENDMENTS

2005 GENERAL SESSION

STATE OF UTAH

Sponsor: Stephen H. Urquhart

6	Douglas C. Aagard	Lorie D. Fowlke	Steven R. Mascaro
7	J. Stuart Adams	Craig A. Frank	Rosalind J. McGee
8	Sheryl L. Allen	Kerry W. Gibson	Ronda Rudd Menlove
9	Roger E. Barrus	Brent H. Goodfellow	Karen W. Morgan
10	Ralph Becker	James R. Gowans	Michael T. Morley
11	Ron Bigelow	Neil A. Hansen	Carol Spackman Moss
12	Jackie Biskupski	Ann W. Hardy	Joseph G. Murray
13	Duane E. Bourdeaux	Neal B. Hendrickson	Merlynn T. Newbold
14	DeMar Bud Bowman	David L. Hogue	Michael E. Noel
15	Craig W. Buttars	Kory M. Holdaway	Curtis Oda
16	D. Gregg Buxton	Gregory H. Hughes	Patrick Painter
17	LaVar Christensen	Fred R. Hunsaker	Paul Ray
18	David Clark	Eric K. Hutchings	Ross I. Romero
19	David N. Cox	Patricia W. Jones	LaWanna Lou Shurtliff
20	Bradley M. Daw	Brad King	Aaron Tilton
21	Margaret Dayton	Todd E. Kiser	David Ure
22	Brad L. Dee	Bradley G. Last	Mark W. Walker
23	Glenn A. Donnelson	M. Susan Lawrence	Peggy Wallace
24	Carl W. Duckworth	David Litvack	Richard W. Wheeler
25	James A. Dunnigan	Rebecca D. Lockhart	Scott L Wyatt
26	Julie Fisher		

LONG TITLE

General Description:

This bill modifies the use of interest and dividends from the investment of monies in the permanent State School Fund.



32 **Highlighted Provisions:**

33 This bill:

34 ▶ increases the cap on the amount of interest and dividends earned on the permanent
35 State School Fund that may be appropriated for the School LAND Trust Program;

36 and

37 ▶ eliminates a requirement that a portion of interest and dividends earned on the
38 permanent State School Fund be used for teachers' classroom supplies.

39 **Monies Appropriated in this Bill:**

40 None

41 **Other Special Clauses:**

42 This bill takes effect on July 1, 2005.

43 **Utah Code Sections Affected:**

44 AMENDS:

45 **53A-16-101**, as last amended by Chapter 183, Laws of Utah 2004

46 **53A-16-101.5**, as last amended by Chapters 183 and 251, Laws of Utah 2004

47 **53A-17a-131.17**, as last amended by Chapters 183 and 257, Laws of Utah 2004

48 REPEALS:

49 **53A-17a-149**, as last amended by Chapters 183 and 257, Laws of Utah 2004



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

52 Section 1. Section **53A-16-101** is amended to read:

53 **53A-16-101. Uniform School Fund -- Contents -- Interest and Dividends Account.**

54 (1) The Uniform School Fund established by Utah Constitution, Article X, Section 5,
55 consists of:

56 (a) interest and dividends derived from the investment of monies in the permanent
57 State School Fund established by Utah Constitution, Article X, Section 5;

58 (b) money transferred to the fund pursuant to Title 67, Chapter 4a, Unclaimed Property
59 Act;

60 (c) revenue from the sale of forfeited property as provided by Title 24, Chapter 1, Utah
61 Uniform Forfeiture Procedures Act; and

62 (d) all other constitutional or legislative allocations to the fund, including revenues

63 received under Utah Constitution, Article XIII, Section 5, from taxes on income or intangible
64 property, except for those income tax revenues appropriated to the state's higher education
65 system.

66 (2) (a) There is created within the Uniform School Fund a restricted account known as
67 the Interest and Dividends Account.

68 (b) The Interest and Dividends Account consists of:

69 (i) interest and dividends derived from the investment of monies in the permanent State
70 School Fund referred to in Subsection (1)(a); and

71 (ii) interest on account monies.

72 (3) (a) Upon appropriation by the Legislature, monies from the Interest and Dividends
73 Account shall be used for~~[-(i)]~~ the School LAND Trust Program as provided in Section
74 53A-16-101.5~~[-and]~~.

75 ~~[(ii) teachers' classroom supplies as provided in Section 53A-17a-149.]~~

76 (b) The Legislature may appropriate any remaining balance for the support of the
77 public education system.

78 Section 2. Section **53A-16-101.5** is amended to read:

79 **53A-16-101.5. School LAND Trust Program -- Purpose -- Distribution of funds --**
80 **School plans for use of funds.**

81 (1) There is established the School LAND (Learning And Nurturing Development)
82 Trust Program for the state's public schools to provide financial resources to enhance or
83 improve student academic achievement and implement a component of the school
84 improvement plan.

85 (2) (a) The program shall be funded each fiscal year:

86 (i) from the Interest and Dividends Account created in Section 53A-16-101; and

87 (ii) in the amount of the sum of the following:

88 (A) the interest and dividends from the investment of monies in the permanent State
89 School Fund deposited to the Interest and Dividends Account in the immediately preceding
90 year; and

91 (B) interest accrued on monies in the Interest and Dividends Account in the
92 immediately preceding fiscal year.

93 (b) On and after July 1, 2003, the program shall be funded as provided in Subsection

94 (2)(a) up to a maximum of [~~\$12,000,000~~] an amount equal to 2% of the funds provided for the
95 Minimum School Program, pursuant to Title 53A, Chapter 17a, Minimum School Program
96 Act, each fiscal year.

97 (c) The Legislature shall annually allocate, through an appropriation to the State Board
98 of Education, a portion of School LAND Trust Program monies for the administration of the
99 program.

100 (3) (a) The State Board of Education shall allocate the monies referred to in Subsection
101 (2) annually for the fiscal year beginning July 1, 2000, and for each fiscal year thereafter as
102 follows:

103 (i) school districts shall receive 10% of the funds on an equal basis; and

104 (ii) the remaining 90% of the funds shall be distributed on a per student basis, with
105 each district receiving its allocation based on the number of students in the district as compared
106 to the state total.

107 (b) Each school district shall distribute its allocation under Subsection (3)(a) to each
108 school within the district on an equal per student basis.

109 (c) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the
110 board may make rules regarding the time and manner in which the student count shall be made
111 for allocation of the monies.

112 (4) Except as provided in Subsection (7), in order to receive its allocation under
113 Subsection (3), a school shall have established a school community council under Section
114 53A-1a-108.

115 (5) (a) The school community council or its subcommittee shall develop a program to
116 use its allocation under Subsection (3) to implement a component of the school's improvement
117 plan, including:

118 (i) the school's identified most critical academic needs;

119 (ii) a recommended course of action to meet the identified academic needs;

120 (iii) a specific listing of any programs, practices, materials, or equipment which the
121 school will need to implement a component of its school improvement plan to have a direct
122 impact on the instruction of students and result in measurable increased student performance;
123 and

124 (iv) how the school intends to spend its allocation of funds under this section to

125 enhance or improve academic excellence at the school.

126 (b) The school may develop a multiyear program, but the program shall be presented
127 and approved by the school community council and the local school board of the district in
128 which the school is located annually and as a prerequisite to receiving program funds allocated
129 under this section.

130 (6) (a) Each school shall:

131 (i) implement the program as approved by the school community council and approved
132 by the local school board;

133 (ii) provide ongoing support for the council's or its subcommittee's program;

134 (iii) meet school board reporting requirements regarding financial and performance
135 accountability of the program; and

136 (iv) publicize to its patrons and the general public on how the funds it received under
137 this section were used to enhance or improve academic excellence at the school and implement
138 a component of the school's improvement plan, including the results of those efforts.

139 (b) (i) Each school through its council or its subcommittee shall prepare and present an
140 annual report of the program to its local school board at the end of the school year.

141 (ii) The report shall detail the use of program funds received by the school under this
142 section and an assessment of the results obtained from the use of the funds.

143 (7) (a) The governing board of a charter school shall prepare a plan for the use of
144 school trust monies that includes the elements listed in Subsection (5).

145 (b) The plan shall be subject to approval by the entity that authorized the establishment
146 of the charter school.

147 (8) (a) A school community council and a governing board of a charter school may not
148 be required to:

149 (i) send a letter to legislators or other elected officials on the school's use of School
150 LAND Trust Program monies as a condition of receiving the monies; or

151 (ii) report to the State Board of Education or any local school board on whether any
152 letters were sent to legislators or other elected officials on the school's use of School LAND
153 Trust Program monies.

154 (b) Subsection (8)(a)(i) does not apply to the annual report to the local school board
155 required by Subsection (6)(b).

156 Section 3. Section **53A-17a-131.17** is amended to read:

157 **53A-17a-131.17. State contribution for School LAND Trust Program.**

158 (1) If the amount of money prescribed for funding the School LAND Trust Program in
159 Section 53A-16-101.5 is less than or greater than the money appropriated in Section
160 53A-17a-104 for the School LAND Trust Program, the appropriation shall be equal to the
161 amount of money prescribed for funding the School LAND Trust Program in Section
162 53A-16-101.5, up to a maximum of [~~\$12,000,000~~] an amount equal to 2% of the funds
163 provided for the Minimum School Program, pursuant to Title 53A, Chapter 17a, Minimum
164 School Program Act.

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

168 Section 4. **Repealer.**

169 This bill repeals:

170 Section **53A-17a-149, Funds for classroom supplies.**

171 Section 5. **Effective date.**

172 This bill takes effect on July 1, 2005.