

1 **AMENDMENTS TO THE MINIMUM SCHOOL**

2 **PROGRAM BUDGET**

3 2006 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Howard A. Stephenson**

6 House Sponsor: Gordon E. Snow

7

8 **LONG TITLE**

9 **General Description:**

10 This bill provides funding for the Minimum School Program.

11 **Highlighted Provisions:**

12 This bill:

13 ▶ creates a cap on the number of charter schools that the State Charter School Board
14 may authorize;

15 ▶ establishes the value of the weighted pupil unit at \$2,417;

16 ▶ establishes a ceiling for the state contribution to the maintenance and operations
17 portion of the Minimum School Program for fiscal year 2006-07 of \$2,032,219,545;

18 ▶ authorizes the State Board of Education to use nonlapsing balances to restore
19 special education funding;

20 ▶ makes one-time appropriations for fiscal year 2006-07 for:

- 21 • pupil transportation;
- 22 • library books and supplies;
- 23 • the Enrollment Growth Program;
- 24 • charter schools; and
- 25 • classroom supplies.

26 **Monies Appropriated in this Bill:**

27 This bill appropriates:



28 ▶ as an ongoing appropriation, \$2,011,119,545 from the Uniform School Fund for
29 fiscal year 2006-07; and

30 ▶ for fiscal year 2006-07 only, \$31,100,000 from the Uniform School Fund.

31 **Other Special Clauses:**

32 This bill takes effect on July 1, 2006.

33 This bill coordinates with S.B. 3 by providing that certain amendments in this bill
34 supersede the amendments in S.B. 3.

35 **Utah Code Sections Affected:**

36 AMENDS:

37 **53A-1a-515**, as last amended by Chapter 291, Laws of Utah 2005

38 **53A-17a-103**, as last amended by Chapters 9 and 184, Laws of Utah 2005

39 **53A-17a-104**, as last amended by Chapters 9 and 184, Laws of Utah 2005

40 **53A-17a-148**, as last amended by Chapters 9 and 184, Laws of Utah 2005

41 ENACTS:

42 **53A-1a-502.5**, Utah Code Annotated 1953



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

45 Section 1. Section **53A-1a-502.5** is enacted to read:

46 **53A-1a-502.5. State Charter School Board to authorize the establishment of**
47 **charter schools.**

48 The State Charter School Board may authorize, beginning July 1, 2006, and until July 1,
49 2007, an additional five charter schools, provided that the additional charter schools have a
50 combined student capacity that does not exceed 5,000 students.

51 Section 2. Section **53A-1a-515** is amended to read:

52 **53A-1a-515. Charters authorized by local school boards.**

53 (1) (a) Individuals and entities identified in Section 53A-1a-504 may enter into an
54 agreement with a local school board to establish and operate a charter school within the
55 geographical boundaries of the school district administered by the board.

56 (b) The charter schools described in Subsection (1)(a) are in addition to the limited
57 number of charter schools authorized by the State Charter School Board in Section
58 53A-1a-502.5.

59 (2) (a) An existing public school that converts to charter status under a charter granted
60 by a local school board may:

61 (i) continue to receive the same services from the school district that it received prior to
62 its conversion; or

63 (ii) contract out for some or all of those services with other public or private providers.

64 (b) Any other charter school authorized by a local school board may contract with the
65 board to receive some or all of the services referred to in Subsection (3)(a).

66 (3) (a) (i) A public school that converts to a charter school under a charter granted by a
67 local school board shall receive funding:

68 (A) through the school district; and

69 (B) on the same basis as it did prior to its conversion to a charter school.

70 (ii) The school may also receive federal monies designated for charter schools under
71 any federal program.

72 (b) (i) A local school board-authorized charter school operating in a facility owned by
73 the school district and not paying reasonable rent to the school district shall receive funding:

74 (A) through the school district; and

75 (B) on the same basis that other district schools receive funding.

76 (ii) The school may also receive federal monies designated for charter schools under
77 any federal program.

78 (c) Any other charter school authorized by a local school board shall receive funding as
79 provided in Section 53A-1a-513.

80 (4) (a) A local school board that receives an application for a charter school under this
81 section shall, within 45 days, either accept or reject the application.

82 (b) If the board rejects the application, it shall notify the applicant in writing of the
83 reason for the rejection.

84 (c) The applicant may submit a revised application for reconsideration by the board.

85 (d) If the local school board refuses to authorize the applicant, the applicant may seek a
86 charter from the State Charter School Board under Section 53A-1a-505.

87 (5) The State Board of Education shall make a rule providing for a timeline for the
88 opening of a charter school following the approval of a charter school application by a local
89 school board.

90 (6) (a) After approval of a charter school application, the applicant and the local school
91 board shall set forth the terms and conditions for the operation of the charter school in a written
92 contractual agreement.

93 (b) The agreement is the school's charter.

94 (7) A local school board shall:

95 (a) annually review and evaluate the performance of charter schools authorized by the
96 local school board and hold the schools accountable for their performance;

97 (b) monitor charter schools authorized by the local school board for compliance with
98 federal and state laws, rules, and regulations; and

99 (c) provide technical support to charter schools authorized by the local school board to
100 assist them in understanding and performing their charter obligations.

101 (8) A local school board may terminate a charter school it authorizes as provided in
102 Sections 53A-1a-509 and 53A-1a-510.

103 (9) The governing body of a local school board-authorized charter school shall be
104 independent of the local school board except as otherwise specifically provided in this chapter.

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

106 **53A-17a-103. Definitions.**

107 As used in this chapter:

108 (1) "Basic state-supported school program" or "basic program" means public education
109 programs for kindergarten, elementary, and secondary school students that are operated and
110 maintained for the amount derived by multiplying the number of weighted pupil units for each
111 district by [~~\$2,280~~] \$2,417, except as otherwise provided in this chapter.

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

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

116 (b) the product of:

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

118 and

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

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

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

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

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

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

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

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

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

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

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

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

142 **53A-17a-104. Amount of state's contribution toward minimum school program.**

143 (1) The total contribution of the state toward the cost of the minimum school program
 144 may not exceed the sum of [~~\$1,794,543,275~~] \$2,032,219,545 for the fiscal year beginning July
 145 1, [~~2005~~] 2006, except as otherwise provided by the Legislature through supplemental
 146 appropriations.

147 (2) There is appropriated from state and local funds for fiscal year [~~2005-06~~] 2006-07
 148 for distribution to school districts and charter schools, in accordance with this chapter, monies
 149 for the following purposes and in the following amounts:

150 (a) basic program - kindergarten, [~~\$50,992,200 (22,365 WPU's)~~] \$57,234,560 (23,680
 151 WPU's);

- 152 (b) basic program - grades 1-12, [~~\$1,014,932,880 (445,146 WPU)s~~] \$1,118,053,443
153 (462,579 WPU)s;
- 154 (c) basic program - professional staff, [~~\$99,273,480 (43,541 WPU)s~~] \$106,128,053
155 (43,909 WPU)s;
- 156 (d) basic program - administrative costs, [~~\$3,789,360 (1,662 WPU)s~~] \$3,937,293
157 (1,629 WPU)s;
- 158 (e) basic program - necessarily existent small schools and units for consolidated
159 schools, [~~\$17,779,440 (7,798 WPU)s~~] \$18,487,633 (7,649 WPU)s;
- 160 (f) special education - regular program - add-on WPU)s for students with disabilities,
161 [~~\$125,076,240 (54,858 WPU)s~~] \$136,350,221 (56,413 WPU)s;
- 162 (g) preschool special education program, [~~\$16,509,480 (7,241 WPU)s~~] \$19,717,886
163 (8,158 WPU)s;
- 164 (h) self-contained regular WPU)s, [~~\$28,999,320 (12,719 WPU)s~~] \$32,148,517 (13,301
165 WPU)s;
- 166 (i) extended year program for severely disabled, [~~\$813,960 (357 WPU)s~~] \$887,039
167 (367 WPU)s;
- 168 (j) special education programs in state institutions and district impact aid, [~~\$3,196,560~~
169 ~~(1,402 WPU)s~~] \$3,487,731 (1,443 WPU)s;
- 170 (k) applied technology and technical education district programs, [~~\$54,943,440 (24,098~~
171 ~~WPU)s~~] \$59,934,349 (24,797 WPU)s, including [~~\$985,880~~] \$1,045,033 for summer applied
172 technology agriculture programs;
- 173 (l) applied technology district set-aside, [~~\$2,348,400 (1,030 WPU)s~~] \$2,562,020 (1,060
174 WPU)s;
- 175 (m) class size reduction, [~~\$70,162,440 (30,773 WPU)s~~] \$74,378,341 (30,773 WPU)s;
- 176 (n) Social Security and retirement programs, [~~\$272,224,533~~] \$310,891,038;
- 177 (o) pupil transportation to and from school, [~~\$59,058,267~~] \$62,601,763, of which not
178 less than [~~\$2,050,537~~] \$2,173,569 shall be allocated to the Utah Schools for the Deaf and Blind
179 to pay for transportation costs of the schools' students;
- 180 (p) guarantee transportation levy, \$500,000;
- 181 (q) Local Discretionary Block Grant Program, \$21,820,748;
- 182 (r) Interventions for Student Success Block Grant Program, [~~\$15,842,347~~]

183 \$16,792,888;
 184 (s) Quality Teaching Block Grant Program, [~~\$59,428,023~~] \$62,993,704;
 185 (t) highly impacted schools, \$5,123,207;
 186 (u) at-risk programs, [~~\$26,557,600~~] \$27,992,056;
 187 (v) adult education, [~~\$7,630,805~~] \$9,148,653;
 188 (w) accelerated learning programs, [~~\$8,999,293~~] \$12,010,853;
 189 (x) electronic high school, [~~\$1,000,000~~] \$1,300,000;
 190 (y) School LAND Trust Program, [~~\$9,920,000~~] \$15,000,000;
 191 (z) state-supported voted leeway, [~~\$175,975,385~~] \$196,085,303;
 192 (aa) state-supported board leeway, [~~\$48,387,919~~] \$54,704,476;
 193 (bb) charter schools, pursuant to Section 53A-1a-513, [~~\$12,559,950~~] \$21,552,450;
 194 (cc) K-3 Reading Improvement Program, \$12,500,000 ; and
 195 (dd) state-supported board leeway for K-3 Reading Improvement Program,
 196 \$15,000,000.

197 Section 5. Section **53A-17a-148** is amended to read:

198 **53A-17a-148. Use of nonlapsing balances.**

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

201 [~~(a) to stabilize the value of the weighted pupil unit;]~~

202 [~~(b) to maintain program levels in school districts that may experience unanticipated~~
 203 ~~and unforeseen losses of students;]~~

204 [~~(c) to equalize programs in school districts where a strict application of the law~~
 205 ~~provides inequity;]~~

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

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

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

211 [~~(3) For the fiscal year beginning on July 1, 2005, the State Board of Education shall~~
 212 ~~use Minimum School Program nonlapsing balances to supplement the appropriation to charter~~
 213 ~~schools for the replacement of local property tax revenues, up to the amount allowed under~~

214 ~~their formula detailed in Subsection 53A-1a-513(4).]~~

215 ~~[(4) The State Board of Education may use Minimum School Program nonlapsing~~
216 ~~balances dedicated to the Public Education Job Enhancement Program to support program~~
217 ~~administration as follows:]~~

218 ~~[(a) \$26,000 is authorized in fiscal year 2004-05; and]~~

219 ~~[(b) \$60,000 is authorized in fiscal year 2005-06.]~~

220 The State Board of Education may use Minimum School Program nonlapsing balances
221 to restore special education funding as follows:

222 (1) up to \$902,538 is authorized in fiscal year 2005-06; and

223 (2) up to \$902,538 is authorized in fiscal year 2006-07.

224 **Section 6. Ongoing appropriation for charter school administration.**

225 (1) As an ongoing appropriation subject to future budget constraints, there is
226 appropriated for fiscal year 2006-07, \$100,000 from the Uniform School Fund to the State
227 Board of Education for charter school administration.

228 (2) The State Board of Education, in consultation with the State Charter School Board,
229 shall distribute the money appropriated in Subsection (1) on an equalized per student basis as
230 determined by the actual fall enrollment count to charter schools that receive funding through
231 the Minimum School Program - Administrative Cost Formula Program.

232 **Section 7. One-time appropriation for pupil transportation.**

233 There is appropriated from the Uniform School Fund to the State Board of Education
234 for fiscal year 2006-07 only, \$5,000,000 for pupil transportation to and from school as
235 provided in Subsections 53A-17a-127(1) through (5).

236 **Section 8. One-time appropriation for library books and supplies.**

237 (1) There is appropriated from the Uniform School Fund to the State Board of
238 Education for fiscal year 2006-07 only, \$2,000,000 for library books and supplies.

239 (2) It is the intent of the Legislature that the State Board of Education shall distribute
240 the money appropriated in Subsection (1) as follows:

241 (a) 25% shall be divided equally among all public schools; and

242 (b) 75% shall be divided among public schools based on each school's average daily
243 membership as compared to the total state average daily membership.

244 **Section 9. One-time appropriation for the Enrollment Growth Program.**

245 There is appropriated from the Uniform School Fund to the State Board of Education
246 for fiscal year 2006-07 only, \$10,000,000 for the Enrollment Growth Program described in
247 Section 53A-21-103.5.

248 Section 10. **One-time appropriation for charter schools.**

249 (1) There is appropriated from the Uniform School Fund to the State Board of
250 Education for fiscal year 2006-07 only, \$7,100,000 for charter schools.

251 (2) It is the intent of the Legislature that the State Board of Education shall distribute
252 the money appropriated in Subsection (1) based upon average daily membership of the charter
253 schools.

254 Section 11. **One-time appropriation for classroom supplies.**

255 (1) There is appropriated from the Uniform School Fund to the State Board of
256 Education for fiscal year 2006-07 only, \$7,000,000 for classroom supplies and materials.

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

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

262 (i) a teacher on salary schedule steps one through three teaching in grades kindergarten
263 through six or preschool handicapped - \$360;

264 (ii) a teacher on salary schedule steps one through three teaching in grades seven
265 through twelve - \$310;

266 (iii) a teacher on salary schedule step four or higher teaching in grades kindergarten
267 through six or preschool handicapped - \$285; and

268 (iv) a teacher on salary schedule step four or higher teaching in grades seven through
269 twelve - \$235.

270 (c) If the appropriation in Subsection (1) is not sufficient to provide to each teacher the
271 full amount allowed under Subsection (2)(b), teachers on salary schedule steps one through
272 three shall receive the full amount allowed with the remaining monies apportioned to all other
273 teachers.

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

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

278 (i) who are licensed personnel;

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

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

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

283 Section 12. **Effective date.**

284 This bill takes effect on July 1, 2006.

285 Section 13. **Coordinating S.B. 5 with S.B. 3 -- Superseding amendments.**

286 If this S.B. 5 and S.B. 3, Minimum School Program Base Budget Amendments, both
287 pass, it is the intent of the Legislature that the amendments to Sections 53A-17a-103 and
288 53A-17a-104 in S.B. 5 supersede the amendments to Sections 53A-17a-103 and 53A-17a-104
289 in S.B. 3 when the Office of Legislative Research and General Counsel prepares the Utah Code
290 database for publication.

Legislative Review Note

as of 2-27-06 3:20 PM

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