

**Representative Karen W. Morgan** proposes the following substitute bill:

**CLASS SIZE REDUCTION IN GRADES**

**KINDERGARTEN THROUGH THREE**

2007 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Karen W. Morgan**

Senate Sponsor: \_\_\_\_\_

Cosponsor: Carol Spackman Moss

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**LONG TITLE**

**General Description:**

This bill modifies class size reduction provisions.

**Highlighted Provisions:**

This bill:

- ▶ increases the appropriation for class size reduction;
- ▶ provides a condition for school districts and charter schools to participate in the

class size reduction appropriation of:

- meeting a class size cap for kindergarten through the third grade; or
- having a class size reduction plan approved by the State Board of Education;
- ▶ requires certain reports;
- ▶ requires the Legislature to provide for an annual adjustment in the appropriation for

class size reduction; and

- ▶ makes technical corrections.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**



26 This bill takes effect on July 1, 2007.

27 This bill coordinates with H.B. 3 by providing that certain amendments in this bill  
28 supersede the amendments in H.B. 3 and that certain amendments in H.B. 3 supersede  
29 the amendments in this bill.

30 This bill coordinates with H.B. 160 by providing that certain amendments in this bill  
31 supersede the amendments in H.B. 160 and that certain amendments in H.B. 160  
32 supersede the amendments in this bill.

33 **Utah Code Sections Affected:**

34 AMENDS:

35 **53A-17a-104**, as last amended by Chapters 4 and 354, Laws of Utah 2006

36 **53A-17a-124.5**, as last amended by Chapters 221 and 320, Laws of Utah 2003

37 ENACTS:

38 **53A-17a-124.8**, Utah Code Annotated 1953

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

41 Section 1. Section **53A-17a-104** is amended to read:

42 **53A-17a-104. Amount of state's contribution toward minimum school program.**

43 (1) The total contribution of the state toward the cost of the minimum school program  
44 may not exceed the sum of \$2,032,219,545 for the fiscal year beginning July 1, 2006, except as  
45 otherwise provided by the Legislature through supplemental appropriations.

46 (2) There is appropriated from state and local funds for fiscal year 2006-07 for  
47 distribution to school districts and charter schools, in accordance with this chapter, monies for  
48 the following purposes and in the following amounts:

49 (a) basic program - kindergarten, \$57,234,560 (23,680 WPU);

50 (b) basic program - grades 1-12, \$1,118,053,443 (462,579 WPU);

51 (c) basic program - professional staff, \$106,128,053 (43,909 WPU);

52 (d) basic program - administrative costs, \$3,937,293 (1,629 WPU);

53 (e) basic program - necessarily existent small schools and units for consolidated  
54 schools, \$18,487,633 (7,649 WPU);

55 (f) special education - regular program - add-on WPU for students with disabilities,  
56 \$136,350,221 (56,413 WPU);

- 57 (g) preschool special education program, \$19,717,886 (8,158 WPU);
- 58 (h) self-contained regular WPU, \$32,148,517 (13,301 WPU);
- 59 (i) extended year program for severely disabled, \$887,039 (367 WPU);
- 60 (j) special education programs in state institutions and district impact aid, \$3,487,731
- 61 (1,443 WPU);
- 62 (k) applied technology and technical education district programs, \$59,934,349 (24,797
- 63 WPU), including \$1,045,033 for summer applied technology agriculture programs;
- 64 (l) applied technology district set-aside, \$2,562,020 (1,060 WPU);
- 65 (m) class size reduction, [~~\$74,378,341 (30,773 WPU)~~] \$79,378,341 (32,842 WPU);
- 66 (n) Social Security and retirement programs, \$310,891,038;
- 67 (o) pupil transportation to and from school, \$62,601,763, of which not less than
- 68 \$2,173,569 shall be allocated to the Utah Schools for the Deaf and Blind to pay for
- 69 transportation costs of the schools' students;
- 70 (p) guarantee transportation levy, \$500,000;
- 71 (q) Local Discretionary Block Grant Program, \$21,820,748;
- 72 (r) Interventions for Student Success Block Grant Program, \$16,792,888;
- 73 (s) Quality Teaching Block Grant Program, \$62,993,704;
- 74 (t) highly impacted schools, \$5,123,207;
- 75 (u) at-risk programs, \$27,992,056;
- 76 (v) adult education, \$9,148,653;
- 77 (w) accelerated learning programs, \$12,010,853;
- 78 (x) electronic high school, \$1,300,000;
- 79 (y) School LAND Trust Program, \$15,000,000;
- 80 (z) state-supported voted leeway, \$196,085,303;
- 81 (aa) state-supported board leeway, \$54,704,476;
- 82 (bb) charter schools, pursuant to Section 53A-1a-513, \$21,552,450;
- 83 (cc) K-3 Reading Improvement Program, \$12,500,000 ; and
- 84 (dd) state-supported board leeway for K-3 Reading Improvement Program,
- 85 \$15,000,000.

86 Section 2. Section **53A-17a-124.5** is amended to read:

87 **53A-17a-124.5. Appropriation for class size reduction.**

88 (1) Money appropriated to the State Board of Education in Section 53A-17a-104 for  
89 class size reduction shall be used to reduce the average class size in kindergarten through the  
90 eighth grade in the state's public schools as provided in this section and Section  
91 53A-17a-124.8.

92 (2) Each district or charter school shall receive its allocation based upon prior year  
93 average daily membership in kindergarten through grade eight plus growth as determined under  
94 Subsection 53A-17a-106(3) as compared to the state total.

95 (3) (a) A district or charter school may use its allocation to reduce class size in any one  
96 or all of the grades referred to under this section, except as otherwise provided in Subsection  
97 (3)(b).

98 (b) (i) Each district or charter school shall use 50% of its allocation to reduce class  
99 size in any one or all of grades kindergarten through grade two, with an emphasis on improving  
100 student reading skills.

101 (ii) If a district's or charter school's average class size is below 18 in grades  
102 kindergarten through two, it may petition the state board for, and the state board may grant, a  
103 waiver to use its allocation under Subsection (3)(b)(i) for class size reduction in the other  
104 grades.

105 (4) Schools may use nontraditional innovative and creative methods to reduce class  
106 sizes with this appropriation and may use part of their allocation to focus on class size  
107 reduction for specific groups, such as at risk students, or for specific blocks of time during the  
108 school day.

109 (5) (a) A school district or charter school may use up to 20% of its allocation under  
110 Subsection (1) for capital facilities projects if such projects would help to reduce class size.

111 (b) If a school district's or charter school's student population increases by 5% or 700  
112 students from the previous school year, the school district or charter school may use up to 50%  
113 of any allocation it receives under this section for classroom construction.

114 (6) This appropriation is to supplement any other appropriation made for class size  
115 reduction.

116 (7) The Legislature shall provide for an annual adjustment in the appropriation  
117 authorized under this section in proportion to the increase in the number of students in the state  
118 in kindergarten through grade eight.

119 Section 3. Section **53A-17a-124.8** is enacted to read:

120 **53A-17a-124.8. Class size restrictions -- K-3.**

121 (1) To participate in the appropriation for class size reduction provided in Section  
 122 53A-17a-124.5, a school district or charter school shall meet the class size requirements in  
 123 Subsection (2) or submit a plan that meets the requirements in Subsection (3).

124 (2) A school district or charter school may not have:

125 (a) for kindergarten or first grade:

126 (i) an average class size that exceeds 20 students; and

127 (ii) a class in the school district or charter school that exceeds 22 students; and

128 (b) for second or third grade:

129 (i) an average class size that exceeds 22 students; and

130 (ii) a class in the school district or charter school that exceeds 24 students.

131 (3) (a) A school district or charter school that does not meet the class size requirements  
 132 in Subsection (2) shall, prior to using class size reduction monies under Section  
 133 53A-17a-124.5:

134 (i) submit a class size reduction plan to the State Board of Education that specifies how  
 135 the school district or charter school will comply with the requirements in Subsection (2) within  
 136 the next two fiscal years; and

137 (ii) receive approval of the plan from the State Board of Education.

138 (b) The State Board of Education shall provide model plans which a school district or  
 139 charter school may adapt and use, or the district or school may develop its own plan.

140 (c) (i) If a school district or charter school does not meet or exceed the benchmarks  
 141 from the plan approved under Subsection (3)(a), the school district or charter school shall  
 142 prepare a new plan which corrects the deficiencies.

143 (ii) The new plan must be approved by the State Board of Education before the school  
 144 district or charter school receives an allocation for the next year.

145 ~~Ĥ→ [(d) If after three fiscal years a school district fails to meet the requirements in~~  
 146 ~~Subsection (2), the school district may not participate in the appropriation for class size~~  
 147 ~~reduction provided in Section 53A-17a-124.5.] ←Ĥ~~

148 (4) (a) Each school district and charter school shall annually submit a report to the  
 149 State Board of Education accounting for its expenditure of class size reduction monies and, if

150 applicable, a description of its progress in reducing class sizes in accordance with the plan  
151 approved under Subsection (3).

152 (b) If a school district or charter school uses class size reduction monies in a manner  
153 that is inconsistent with the provisions of Section 53A-17a-124.5, this section, or the plan  
154 approved under Subsection (3), the school district or charter school is liable for reimbursing the  
155 State Board of Education for the amount of class size reduction monies improperly used, up to  
156 the amount of class size reduction monies received from the State Board of Education.

157 (5) The State Board of Education shall provide a report by December 1 of each year to  
158 the Public Education Appropriations Subcommittee that provides a detailed class size reduction  
159 proposal and its costs, including a proposal for targeted secondary core classes.

160 (6) The Legislature shall provide for an annual adjustment in the appropriation for  
161 class size reduction authorized under Section 53A-17a-124.5 based upon the report under  
162 Subsection (5) and the requirements of school districts and charter schools under this section.

163 **Section 4. Effective date.**

164 This bill takes effect on July 1, 2007.

165 **Section 5. Coordinating H.B. 149 with H.B. 3 -- Substantively superseding**  
166 **amendments.**

167 If this H.B. 149 and H.B. 3, Minimum School Program Base Budget Amendments, both  
168 pass, it is the intent of the Legislature that when the Office of Legislative Research and General  
169 Counsel prepares the Utah Code database for publication:

170 (1) the appropriation for class size reduction under Subsection 53A-17a-104(2)(m) in  
171 H.B. 3 supersedes the appropriation for class size reduction under Subsection  
172 53A-17a-104(2)(m) in this bill, except that the appropriation for class size reduction under  
173 Subsection 53A-17a-104(2)(m) in H.B. 3 shall be increased by \$5,000,000;

174 (2) the WPU for class size reduction under Subsection 53A-17a-104(2)(m) in H.B. 3  
175 supersedes the WPU for class size reduction under Subsection 53A-17a-104(2)(m) in this bill,  
176 except that the WPU for class size reduction under Subsection 53A-17a-104(2)(m) in H.B. 3  
177 shall be increased by the quotient of 5,000,000 divided by the value of the WPU provided in  
178 Subsection 53A-17a-103(1) in H.B. 3, rounded to the nearest whole number; and

179 (3) the appropriation under Subsection 53A-17a-104(1) in H.B. 3 supersedes the  
180 appropriation in Subsection 53A-17a-104(1) in this bill, except that the appropriation under

181 Subsection 53A-17a-104(1) in H.B. 3 shall be increased by \$5,000,000.

182       Section 6. **Coordinating H.B. 149 with H.B. 160 --Substantively superseding**  
183 **amendments.**

184       If this H.B. 149 and H.B. 160, Minimum School Program Budget Amendments, both  
185 pass, it is the intent of the Legislature that when the Office of Legislative Research and General  
186 Counsel prepares the Utah Code database for publication:

187       (1) the appropriation for class size reduction under Subsection 53A-17a-104(2)(m) in  
188 H.B. 160 supersedes the appropriation for class size reduction under Subsection  
189 53A-17a-104(2)(m) in this bill, except that the appropriation for class size reduction under  
190 Subsection 53A-17a-104(2)(m) in H.B. 160 shall be increased by \$5,000,000;

191       (2) the WPU for class size reduction under Subsection 53A-17a-104(2)(m) in H.B.  
192 160 supersedes the WPU for class size reduction under Subsection 53A-17a-104(2)(m) in this  
193 bill, except that the WPU for class size reduction under Subsection 53A-17a-104(2)(m) in  
194 H.B. 160 shall be increased by the quotient of 5,000,000 divided by the value of the WPU  
195 provided in Subsection 53A-17a-103(1) in H.B. 160, rounded to the nearest whole number;  
196 and

197       (3) the appropriation under Subsection 53A-17a-104(1) in H.B. 160 supersedes the  
198 appropriation in Subsection 53A-17a-104(1) in this bill, except that the appropriation under  
199 Subsection 53A-17a-104(1) in H.B. 160 shall be increased by \$5,000,000.

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**Fiscal Note**

**H.B. 149 1st Sub. (Buff) - Class Size Reduction in Grades Kindergarten  
Through Three**  
2007 General Session  
State of Utah

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**State Impact**

Enactment of this bill will appropriate an additional \$5,000,000 in on-going Uniform School Fund revenues to the Minimum School Program, Class Size Reduction line item beginning in FY 2008. By increasing the number of Weighted Pupil Units to the Class Reduction Line item it may affect Social Security and Retirement. It may also affect the Voted and Board Leeways.

	<u>FY 2007 Approp.</u>	<u>FY 2008 Approp.</u>	<u>FY 2009 Approp.</u>	<u>FY 2007 Revenue</u>	<u>FY 2008 Revenue</u>	<u>FY 2009 Revenue</u>
Uniform School Fund	\$0	\$5,000,000	\$5,000,000	\$0	\$0	\$0
<b>Total</b>	<b>\$0</b>	<b>\$5,000,000</b>	<b>\$5,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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**Individual, Business and/or Local Impact**

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.