

1 **REPEAL OF BOARD LEEWAY FOR READING**

2 **IMPROVEMENT**

3 2008 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: John Dougall**

6 **Senate Sponsor: Wayne L. Niederhauser**

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**LONG TITLE**

8 **Committee Note:**

9 The Revenue and Taxation Interim Committee recommended this bill.

10 **General Description:**

11 This bill modifies the funding of the K-3 Reading Improvement Program.

12 **Highlighted Provisions:**

13 This bill:

- 14 ▶ consolidates the Base Level Program and the Guarantee Program;
- 15 ▶ provides state funding for the K-3 Reading Improvement Program;
- 16 ▶ modifies the distribution of program monies; and
- 17 ▶ repeals the local school board leeway to fund part of a school district's K-3 Reading

18 Improvement Program.

19 **Monies Appropriated in this Bill:**

20 This bill appropriates as an ongoing appropriation subject to future budget constraints,  
21 \$20,000,000 from the Uniform School Fund for fiscal year 2008-09 to the State Board  
22 of Education.  
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24 **Other Special Clauses:**

25 This bill takes effect on July 1, 2008.

26 **Utah Code Sections Affected:**

27 AMENDS:



28 53A-17a-150, as enacted by Laws of Utah 2004, Chapter 305

29 REPEALS:

30 53A-17a-151, as enacted by Laws of Utah 2004, Chapter 305

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

33 Section 1. Section 53A-17a-150 is amended to read:

34 **53A-17a-150. K-3 Reading Improvement Program.**

35 (1) As used in this section:

36 (a) "program" means the K-3 Reading Improvement Program; and

37 (b) "program monies" means [~~:(i) school district revenue from the levy authorized~~  
38 ~~under Section 53A-17a-151;(ii) school district revenue allocated to the program from other~~  
39 ~~monies available to the school district, except monies provided by the state, for the purpose of~~  
40 ~~receiving state funds under this section; and (iii)] monies appropriated by the Legislature to the  
41 program.~~

42 (2) The K-3 Reading Improvement Program consists of program monies and is created  
43 to achieve the state's goal of having third graders reading at or above grade level.

44 (3) Subject to future budget constraints, the Legislature may annually appropriate  
45 money to the K-3 Reading Improvement Program.

46 (4) (a) Prior to using program monies, a school district or charter school shall submit a  
47 plan to the State Board of Education for reading proficiency improvement that incorporates the  
48 following components:

49 (i) assessment;

50 (ii) intervention strategies;

51 (iii) professional development;

52 (iv) reading performance standards; and

53 (v) specific measurable goals that are based upon gain scores.

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

56 (c) Plans developed by a school district or charter school shall be approved by the State  
57 Board of Education.

58 (5) There is created within the K-3 Reading Achievement Program [~~three~~] two funding

59 programs:

60 (a) the ~~[Base Level]~~ K-3 Student Program; and

61 ~~[(b) the Guarantee Program; and]~~

62 ~~[(c) (b) the [Low Income] At Risk Students Program.~~

63 (6) Monies appropriated to the State Board of Education for the K-3 Reading

64 Improvement Program shall be allocated to the ~~[three]~~ two funding programs as follows:

65 (a) ~~[8%]~~ 50% to the ~~[Base Level]~~ K-3 Student Program; and

66 ~~[(b) 46% to the Guarantee Program; and]~~

67 ~~[(c) (b) [46%] 50%~~ to the ~~[Low Income] At Risk Students Program.~~

68 (7) (a) To participate in the ~~[Base Level]~~ K-3 Reading Achievement Program, a school

69 district or charter school shall submit a reading proficiency improvement plan to the State

70 Board of Education as provided in Subsection (4) and ~~[must]~~ shall receive approval of the plan

71 from the board.

72 (b) ~~[(i) Each]~~ A school district qualifying for ~~[Base Level]~~ K-3 Reading Achievement

73 Program funds and the qualifying elementary charter schools combined shall receive ~~[a base~~

74 ~~amount]~~ the allocations provided in Subsections (8) and (9).

75 ~~[(ii) The base amount for the qualifying elementary charter schools combined shall be~~  
76 ~~allocated among each school in an amount proportionate to:]~~

77 ~~[(A) (8) [each existing charter school's prior]~~ The State Board of Education shall

78 distribute K-3 Student Program funds in an amount proportionate to the current year fall

79 enrollment in grades kindergarten through grade 3 ~~[, and]~~ in each qualifying school district or  
80 charter school.

81 ~~[(B) each new charter school's estimated fall enrollment in grades kindergarten through~~  
82 ~~grade 3:]~~

83 ~~[(8) (a) A school district that applies for program monies in excess of the Base Level~~  
84 ~~Program funds shall choose to first participate in either the Guarantee Program or the Low~~  
85 ~~Income Students Program.]~~

86 ~~[(b) A school district must fully participate in either the Guarantee Program or the Low~~  
87 ~~Income Students Program before it may elect to either fully or partially participate in the other~~  
88 ~~program.]~~

89 ~~[(c) To fully participate in the Guarantee Program, a school district shall:]~~

90 [i] levy a tax rate of .000056 under Section 53A-17a-151;]

91 [(ii) allocate to the program other monies available to the school district, except monies  
92 provided by the state, equal to the amount of revenue that would be generated by a tax rate of  
93 .000056; or]

94 [(iii) levy a tax under Section 53A-17a-151 and allocate to the program other monies  
95 available to the school district, except monies provided by the state, so that the total revenue  
96 from the combined revenue sources equals the amount of revenue that would be generated by a  
97 tax rate of .000056.]

98 [(d) To fully participate in the Low Income Students Program, a school district shall:]

99 [(i) levy a tax rate of .000065 under Section 53A-17a-151;]

100 [(ii) allocate to the program other monies available to the school district, except monies  
101 provided by the state, equal to the amount of revenue that would be generated by a tax rate of  
102 .000065; or]

103 [(iii) levy a tax under Section 53A-17a-151 and allocate to the program other monies  
104 available to the school district, except monies provided by the state, so that the total revenue  
105 from the combined revenue sources equals the amount of revenue that would be generated by a  
106 tax rate of .000065.]

107 [(9) (a) A school district that fully participates in the Guarantee Program shall receive  
108 state funds in an amount that is:]

109 [(i) equal to the difference between \$21 times the district's total WPUs and the revenue  
110 the school district is required to generate or allocate under Subsection (8)(c) to fully participate  
111 in the Guarantee Program; and]

112 [(ii) not less than \$0.]

113 [(b) An elementary charter school shall receive under the Guarantee Program an  
114 amount equal to \$21 times the school's total WPUs.]

115 [(10)] (9) The State Board of Education shall distribute [~~Low Income~~] At Risk  
116 Students Program funds in an amount proportionate to the number of students in kindergarten  
117 through grade 3 in each qualifying school district or charter school who qualify for free or  
118 reduced price school lunch [~~multiplied by two~~].

119 [(11) A school district that partially participates in the Guarantee Program or Low  
120 Income Students Program shall receive program funds based on the amount of district revenue

121 ~~generated for or allocated to the program as a percentage of the amount of revenue that could~~  
 122 ~~have been generated or allocated if the district had fully participated in the program.]~~

123 ~~[(12)]~~ (10) (a) Each school district and charter school shall use program monies for  
 124 reading proficiency improvement in grades kindergarten through grade three.

125 (b) Program monies may not be used to supplant funds for existing programs, but may  
 126 be used to augment existing programs.

127 ~~[(13)]~~ (11) (a) Each school district and charter school shall annually submit a report to  
 128 the State Board of Education accounting for the expenditure of program monies in accordance  
 129 with its plan for reading proficiency improvement.

130 (b) If a school district or charter school uses program monies in a manner that is  
 131 inconsistent with Subsection ~~[(12)]~~ (10), the school district or charter school is liable for  
 132 reimbursing the State Board of Education for the amount of program monies improperly used,  
 133 up to the amount of program monies received from the State Board of Education.

134 ~~[(14)]~~ (12) (a) The State Board of Education shall make rules to implement the  
 135 program.

136 (b) (i) The rules under Subsection ~~[(14)]~~ (12)(a) shall require each school district or  
 137 charter school to annually report progress in meeting goals stated in the district's or charter  
 138 school's plan for student reading proficiency as measured by gain scores.

139 (ii) (A) If a school district or charter school does not meet or exceed the goals, the  
 140 school district or charter school shall prepare a new plan which corrects deficiencies.

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

143 ~~[(15) If after 36 months of program operation, a school district fails to meet goals~~  
 144 ~~stated in the district's plan for student reading proficiency as measured by gain scores, the~~  
 145 ~~school district shall terminate any levy imposed under Section 53A-17a-151.]~~

146 Section 2. **Repealer.**

147 This bill repeals:

148 Section 53A-17a-151, **Board leeway for reading improvement.**

149 Section 3. **Appropriation.**

150 As an ongoing appropriation subject to future budget constraints, there is appropriated  
 151 from the Uniform School Fund for fiscal year 2008-09, \$20,000,000 to the State Board of

152 Education for the K-3 Reading Improvement Program.

153 Section 4. **Effective date.**

154 This bill takes effect on July 1, 2008.

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**Legislative Review Note**  
**as of 11-16-07 9:41 AM**

**Office of Legislative Research and General Counsel**

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**H.B. 69 - Repeal of Board Leeway for Reading Improvement**

**Fiscal Note**

2008 General Session  
State of Utah

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**State Impact**

This bill appropriates \$20,000,000 in ongoing money from the Uniform School Fund to the State Board of Education for the K-3 Reading Improvement Program.

	<u>FY 2008</u> <u>Approp.</u>	<u>FY 2009</u> <u>Approp.</u>	<u>FY 2010</u> <u>Approp.</u>	<u>FY 2008</u> <u>Revenue</u>	<u>FY 2009</u> <u>Revenue</u>	<u>FY 2010</u> <u>Revenue</u>
Uniform School Fund	\$0	\$20,000,000	\$20,000,000	\$0	\$0	\$0
Local Revenue	\$0	(\$12,956,000)	(\$12,956,000)	\$0	(\$12,956,000)	(\$12,956,000)
<b>Total</b>	<b>\$0</b>	<b>\$7,044,000</b>	<b>\$7,044,000</b>	<b>\$0</b>	<b>(\$12,956,000)</b>	<b>(\$12,956,000)</b>

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

This bill repeals authorization for a local school district property tax levy of up to .000121 per dollar of taxable value for funding each district's K-3 Reading Improvement Program. The bill replaces local property tax collections of \$12,956,000 with state funds and eliminates the required local match. The bill also increases the overall amount of funding from \$31,674,600 (\$15,000,000 state funds plus \$12,956,000 property tax plus \$3,718,600 other local funds) to \$35,000,000 (all state funds). Local matching funds from sources other than the property tax levy can be kept in the Reading Improvement Program or reallocated to other district priorities. Under this bill's revised allocation formula, most school districts and charter schools will receive more state funds than before, however some will receive less.

Residents of school districts where this local property tax is levied will see a reduction in their property taxes associated with the levy for the K-3 Reading Improvement Program.