MINIMUM SCHOOL PROGRAM BUDGET

AMENDMENTS

2008 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Howard A. Stephenson

House Sponsor: Bradley G. Last

LONG TITLE

General Description:
This bill provides funding for the Minimum School Program and other education programs.

Highlighted Provisions:
This bill:
- establishes the value of the weighted pupil unit at $2,577;
- establishes a ceiling for the state contribution to the maintenance and operations portion of the Minimum School Program for fiscal year 2008-09 of $2,495,183,979;
- modifies provisions related to the funding of charter schools;
- authorizes the use of appropriations for accelerated learning programs for International Baccalaureate programs;
- modifies the positions that qualify for educator salary adjustments and increases the salary adjustments for those positions;
- establishes and funds the following ongoing programs:
  - a pilot project using a home-based educational technology program to develop school readiness skills of preschool children;
  - a financial and economic literacy passport to track student mastery of certain concepts;
  - the Teacher Salary Supplement Program to provide a salary supplement to an
eligible teacher;

- stipends for special educators for additional days of work;
- an optional grant program to provide an extended year for math and science teachers through the creation of Utah Science Technology and Research Centers;

- the High-ability Student Initiative Program to provide resources for educators to enhance the academic growth of high-ability students; and
  - the English Language Learner Family Literacy Centers Program;
  - makes one-time appropriations for fiscal year 2008-09 for:
    - pupil transportation to and from school;
    - the Beverley Taylor Sorenson Elementary Arts Learning Program to provide grants to integrate arts teaching and learning into selected schools; and
    - classroom supplies;
  - requires the State Board of Education to allocate Minimum School Program nonlapsing balances to provide:
    - one-time signing bonuses for new teachers;
    - one-time performance-based compensation; and
    - a grant program to minimize the expenses of teachers to obtain the American Board Distinguished Teacher certification and to provide additional compensation to teachers who obtain that certification;
    - provides a repeal date for certain pilot programs;
    - makes nonlapsing appropriations; and
    - makes technical corrections.

**Monies Appropriated in this Bill:**

This bill appropriates:

- the following Minimum School Program Monies:
  - $2,436,864,479 from the Uniform School Fund for fiscal year 2008-09;
  - $26,499,500 from the Uniform School Fund Restricted - Interest and Dividends Account for fiscal year 2008-09;
  - $31,820,000 from the Uniform School Fund for fiscal year 2008-09 only; and
  - $280,000 from the Uniform School Fund for fiscal year 2007-08 only; and
the following other education program monies:

- $3,469,580 from the Uniform School Fund for fiscal year 2008-09;
- $150,000 from the Uniform School Fund for fiscal year 2008-09 only;
- $1,000,000 from the Uniform School Fund for fiscal year 2007-08 only;
- $250,000 from the General Fund for fiscal year 2008-09; and
- $50,000 from the General Fund for fiscal year 2007-08 only.

**Other Special Clauses:**

This bill provides an effective date.

This bill coordinates with H.B. 1 by providing superseding and substantive amendments.

**Utah Code Sections Affected:**

**AMENDS:**

- 53A-1a-501.6, as last amended by Laws of Utah 2007, Chapter 344
- 53A-1a-502.5, as last amended by Laws of Utah 2007, Chapter 344
- 53A-1a-513, as last amended by Laws of Utah 2005, Chapters 9 and 291
- 53A-17a-103, as last amended by Laws of Utah 2007, Chapters 107 and 372
- 53A-17a-104, as last amended by Laws of Utah 2007, Chapters 2, 344, 368, and 372
- 53A-17a-108, as last amended by Laws of Utah 2007, Chapter 344
- 53A-17a-120, as last amended by Laws of Utah 2007, Chapter 368
- 53A-17a-126, as last amended by Laws of Utah 2003, Chapters 221 and 320
- 53A-17a-127, as last amended by Laws of Utah 2001, Chapter 73
- 53A-17a-148, as last amended by Laws of Utah 2006, Chapter 354
- 53A-17a-153, as enacted by Laws of Utah 2007, Chapter 380
- 63-55b-153, as last amended by Laws of Utah 2007, Chapter 216

**ENACTS:**

- 53A-1a-1001, Utah Code Annotated 1953
- 53A-1a-1002, Utah Code Annotated 1953
- 53A-1a-1003, Utah Code Annotated 1953
- 53A-1a-1004, Utah Code Annotated 1953
- 53A-1a-1005, Utah Code Annotated 1953
- 53A-1a-1006, Utah Code Annotated 1953
Be it enacted by the Legislature of the state of Utah:

Section 1. Section 53A-1a-501.6 is amended to read:


(1) The State Charter School Board shall:

(a) authorize and promote the establishment of charter schools, subject to the provisions in this part;

(b) annually review and evaluate the performance of charter schools authorized by the State Charter School Board and hold the schools accountable for their performance;

(c) monitor charter schools authorized by the State Charter School Board for compliance with federal and state laws, rules, and regulations;

(d) provide technical support to charter schools and persons seeking to establish charter schools by:

   (i) identifying and promoting successful charter school models;

   (ii) facilitating the application and approval process for charter school authorization;

   (iii) directing charter schools and persons seeking to establish charter schools to sources of private funding and support;

   (iv) reviewing and evaluating proposals to establish charter schools for the purpose of supporting and strengthening proposals before an application for charter school authorization is submitted to the State Charter School Board or a local school board; and

   (v) assisting charter schools to understand and carry out their charter obligations;
(e) provide technical support, as requested, to a local school board relating to charter schools;
(f) make recommendations on legislation and rules pertaining to charter schools to the Legislature and State Board of Education, respectively; and
(g) make recommendations to the State Board of Education on the funding of charter schools.

(2) The State Charter School Board may:
(a) contract;
(b) sue and be sued; and
(c) (i) at the discretion of the charter school, provide administrative services to, or perform other school functions for, charter schools authorized by the State Charter School Board; and
(ii) charge fees for the provision of services or functions.

(3) (a) The State Charter School Board shall provide support services to charter schools from monies appropriated under Subsection (3)(b).
(b) Subject to future budget constraints, the Legislature shall annually appropriate money to the State Charter School Board for support services to charter schools in the amount of $30 times the number of students enrolled in charter schools on October 1.

Section 2. Section 53A-1a-502.5 is amended to read:

(1) The State Charter School Board and local school boards may only authorize a combined maximum student capacity of:
[(a) 27,921 students for the charter schools in the 2007-08 school year; and]
[(b) 32,921 students for the charter schools in the 2008-09 school year[; and]
(b) an annual increase of 7,500 students for the charter schools beginning in the 2009-10 school year.

(2) (a) The State Board of Education, in consultation with the State Charter School Board, shall allocate the students under Subsection (1) between the State Charter School Board and local school boards.
(b) 2,500 of the student capacity described under Subsection (1)(b) shall be allocated to increase the maximum student capacity of operating charter schools.
If the operating charter schools do not use the allocation described under Subsection (2)(b), the remaining student capacity may be used by new charter schools.

Section 3. Section 53A-1a-513 is amended to read:

53A-1a-513. Funding for charter schools.

(1) As used in this section:

(a) "Charter school students' average local revenues" means the amount determined as follows:

(i) for each student enrolled in a charter school on the previous October 1, calculate the district per pupil local revenues of the school district in which the student resides;

(ii) sum the district per pupil local revenues for each student enrolled in a charter school on the previous October 1; and

(iii) divide the sum calculated under Subsection (1)(a)(ii) by the number of students enrolled in charter schools on the previous October 1.

(b) "District per pupil local revenues" means the amount determined as follows, using data from the most recently published school district annual financial reports and state superintendent's annual report:

(i) calculate the sum of a school district's revenue received from:

(A) a voted levy imposed under Section 53A-17a-133;

(B) a board levy imposed under Section 53A-17a-134;

(C) 10% of the cost of the basic program levy imposed under Section 53A-17a-145;

(D) a tort liability levy imposed under Section 63-30d-704;

(E) a capital outlay levy imposed under Section 53A-16-107;

(F) a voted capital outlay levy imposed under Section 53A-16-110;

(G) state support for a voted levy program provided under Section 53A-17a-133;

(H) state support for a board levy program provided under Section 53A-17a-134; and

(I) state ongoing appropriations to the Capital Outlay Foundation and Enrollment Growth Programs created in Section 53A-21-102; and

(ii) divide the sum calculated under Subsection (1)(b)(i) by the sum of:

(A) a school district's average daily membership; and

(B) the average daily membership of a school district's resident students who attend charter schools.
(c) "Resident student" means a student who is considered a resident of the school district under Title 53A, Chapter 2, District of Residency.

(d) "Statewide average debt service revenues" means the amount determined as follows, using data from the most recently published state superintendent’s annual report:

(i) sum the revenues of each school district from the debt service levy imposed under Section 11-14-310; and

(ii) divide the sum calculated under Subsection (1)(d)(i) by statewide school district average daily membership.

[1) Charter schools shall receive funding as described in this section, except Subsections [2) through [7) do not apply to charter schools described in Subsection [1).

(b) Charter schools authorized by local school boards that are converted from district schools or operate in district facilities without paying reasonable rent shall receive funding as prescribed in Section 53A-1a-515.

[2) (a) Except as provided in Subsection [3] (b), a charter school shall receive state funds, as applicable, on the same basis as a school district receives funds.

(b) In distributing funds under Title 53A, Chapter 17a, Minimum School Program Act, to charter schools, charter school pupils shall be weighted, where applicable, as follows:

(i) .55 for kindergarten pupils;

(ii) .9 for pupils in grades 1-6;

(iii) .99 for pupils in grades 7-8; and

(iv) 1.2 for pupils in grades 9-12.

[c) The State Board of Education shall make rules in accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, to administer Subsection [2)(b), including hold-harmless provisions to maintain a charter elementary school’s funding level for a period of two years after the effective date of the distribution formula:]

[d) Subsection (2)(b) does not apply to funds appropriated to charter schools to replace local property tax revenues:]

[e) The State Board of Education shall adopt rules to provide for the distribution of monies to charter schools under this section:]

[f) (a) The Legislature shall provide an appropriation for charter schools for each of
their students to replace some of the local property tax revenues that are not available to charter
schools. The amount of money provided for each charter school student shall be determined
by:
[(i) calculating the sum of:]
[(A) school districts' operations and maintenance revenues derived from local property
taxes, except revenues from imposing a minimum basic tax rate pursuant to Section
53A-17a-135;]
[(B) school districts' capital projects revenues derived from local property taxes; and]
[(C) school districts' expenditures for interest on debt; and]
[(ii) dividing the sum by the total average daily membership of the districts' schools.] (4) (a) (i) Except as provided in Subsections (4)(a)(ii) and (iii), a school district shall
allocate a portion of school district revenues for each resident student of the school district who
is enrolled in a charter school on October 1 as follows:
(A) in fiscal year 2008-09, the allocation shall equal 25% of the lesser of:
(I) district per pupil local revenues; or
(II) charter school students' average local revenues;
(B) in fiscal year 2009-10, the allocation shall equal 50% of the lesser of:
(I) district per pupil local revenues; or
(II) charter school students' average local revenues;
(C) in fiscal year 2010-11, the allocation shall equal 75% of the lesser of:
(I) district per pupil local revenues; or
(II) charter school students' average local revenues; and
(D) beginning in fiscal year 2011-12, the allocation shall equal 100% of the lesser of:
(I) district per pupil local revenues; or
(II) charter school students' average local revenues.
(ii) For the purpose of allocating school district revenues under Subsection (4)(a)(i), a
kindergarten student who is enrolled in less than a full-day kindergarten program is weighted as
.55 of a student.
(iii) (A) As used in this section, "virtual charter school" means a performance-based
charter school that delivers synchronous or asynchronous instruction from a teacher to a
student primarily through the use of technology via the Internet in a virtual or remote setting.
(B) A school district's allocation of revenues under this Subsection (4)(a) for a student enrolled in a virtual charter school may not exceed $500.

(iv) Nothing in this Subsection (4)(a) affects the school bond guarantee program established under Chapter 28, Utah School Bond Guaranty Act.

(b) The State Board of Education shall:

(i) deduct an amount equal to the allocation provided under Subsection (4)(a) from state funds the school district is authorized to receive under Title 53A, Chapter 17a, Minimum School Program Act; and

(ii) remit the money to the student's charter school.

(c) Notwithstanding the method used to transfer school district revenues to charter schools as provided in Subsection (4)(b), a school district may deduct the allocations to charter schools under this section from:

(i) unrestricted revenues available to the school district; or

(ii) the revenue sources listed in Subsections (1)(b)(i)(A) through (I) based on the portion of the allocations to charter schools attributed to each of the revenue sources listed in Subsections (1)(b)(i)(A) through (I).

(d) (i) Subject to future budget constraints, the Legislature shall provide an appropriation for charter schools for each student enrolled on October 1 to supplement the allocation of school district revenues under Subsection (4)(a).

(ii) Except as provided in Subsections (4)(d)(iii) and (iv), the amount of money provided by the state for a charter school student shall be the sum of:

(A) charter school students' average local revenues minus the allocation of school district revenues under Subsection (4)(a); and

(B) statewide average debt service revenues.

(iii) If the total of a school district's allocation for a charter school student under Subsection (4)(a) and the amount provided by the state under Subsection (4)(d)(ii) is less than $1427, the state shall provide an additional supplement so that a charter school receives at least $1427 per student under this Subsection (4).

(iv) For the purpose of providing state monies for charter school students under this Subsection (4)(d), a kindergarten student who is enrolled in less than a full-day kindergarten program is weighted as .55 of a student.
Subsections (4)(d)(ii) through (iv) do not apply to virtual charter schools.

(B) If the total of a school district's allocation for a virtual charter school student under Subsection (4)(a) is less than $500, the state shall provide an additional supplement so that a virtual charter school receives at least $500 per student under this Subsection (4).

[(b)] (e) Of the monies provided to a charter school under this Subsection (4)[[(a)], 10% shall be expended for funding school facilities only.

[(c) To qualify for money under Subsection (4)(a), a new charter school shall, by September 30 of the school year prior to the school year it intends to begin operations:]

[(i) obtain approval of its application for a charter from:]

[(A) the State Board of Education, pursuant to Section 53A-1a-505; or]

[(B) a local school board, pursuant to Section 53A-1a-515; and]

[(ii) submit to the chartering entity an estimate of the charter school's first-year enrollment.]

[(d) Subsection (4)(c) does not apply to charter schools beginning operations in the 2005-06 school year.]

[(e) By December 1, the State Charter School Board shall submit to the Governor's Office of Planning and Budget and the Office of the Legislative Fiscal Analyst an estimate of total charter school enrollment in the state for the following school year:]

(5) Charter schools are eligible to receive federal funds if they meet all applicable federal requirements and comply with relevant federal regulations.

(6) The State Board of Education shall distribute funds for charter school students directly to the charter school.

(7) (a) Notwithstanding Subsection [(2)] (3), a charter school is not eligible to receive state transportation funding.

(b) The board shall also adopt rules relating to the transportation of students to and from charter schools, taking into account Sections 53A-2-210 and 53A-17a-127.

(c) The governing body of the charter school may provide transportation through an agreement or contract with the local school board, a private provider, or with parents.

(8) (a) (i) The state superintendent of public instruction may allocate grants for both start-up and ongoing costs to eligible charter school applicants from monies appropriated for the implementation of this part.
Applications for the grants shall be filed on a form determined by the state superintendent and in conjunction with the application for a charter.

The amount of a grant may vary based upon the size, scope, and special circumstances of the charter school.

The governing board of the charter school shall use the grant to meet the expenses of the school as established in the school's charter.

The State Board of Education shall coordinate the distribution of federal monies appropriated to help fund costs for establishing and maintaining charter schools within the state.

A charter school may receive, hold, manage and use any devise, bequest, grant, endowment, gift, or donation of any property made to the school for any of the purposes of this part.

It is unlawful for any person affiliated with a charter school to demand or request any gift, donation, or contribution from a parent, teacher, employee, or other person affiliated with the charter school as a condition for employment or enrollment at the school or continued attendance at the school.

The State Office of Education shall use up to $1,044,000 of funding provided for new growth to fund additional growth needs in charter schools in fiscal year 2005.

Section 4. Section 53A-1a-1001 is enacted to read:

Part 10. UPSTART


As used in this part:

(1) "Contractor" means the educational technology provider selected by the State Board of Education under Section 53A-1a-1002.

(2) "Low income" means an income below 200% of the federal poverty guideline.

(3) "Preschool children" means children who are:

(a) age four or five; and

(b) have not entered kindergarten.

(4) "UPSTART" means the pilot project established by Section 53A-1a-1002 that uses a home-based educational technology program to develop school readiness skills of preschool children.
Section 5. Section 53A-1a-1002 is enacted to read:

53A-1a-1002. Pilot project to develop school readiness skills of preschool children.

(1) UPSTART, a pilot project that uses a home-based educational technology program to develop school readiness skills of preschool children, is established within the public education system.

(2) UPSTART is created to:
    (a) evaluate the effectiveness of giving preschool children access, at home, to interactive individualized instruction delivered by computers and the Internet to prepare them academically for success in school; and
    (b) test the feasibility of scaling a home-based curriculum in reading, math, and science delivered by computers and the Internet to all preschool children in Utah.

(3) The State Board of Education shall contract with an educational technology provider, selected through a request for proposals process, for the delivery of a home-based educational technology program for preschool children that meets the requirements of Subsection (4).

(4) A home-based educational technology program for preschool children shall meet the following standards:
    (a) the contractor shall provide computer-assisted instruction for preschool children on a home computer connected by the Internet to a centralized file storage facility;
    (b) the contractor shall:
        (i) provide technical support to families for the installation and operation of the instructional software; and
        (ii) provide for the installation of computer and Internet access in homes of low income families that cannot afford the equipment and service;
    (c) the contractor shall have the capability of doing the following through the Internet:
        (i) communicating with parents;
        (ii) updating the instructional software;
        (iii) validating user access;
        (iv) collecting usage data;
        (v) storing research data; and
        (vi) producing reports for parents, schools, and the Legislature;
(d) the program shall include the following components:

(i) computer-assisted, individualized instruction in reading, mathematics, and science;

(ii) a multisensory reading tutoring program; and

(iii) a validated computer adaptive reading test that does not require the presence of trained adults to administer and is an accurate indicator of reading readiness of children who cannot read;

(e) the contractor shall have the capability to quickly and efficiently modify, improve, and support the product;

(f) the contractor shall work in cooperation with school district personnel who will provide administrative and technical support of the program as provided in Section 53A-1a-1003;

(g) the contractor shall solicit families to participate in the program as provided in Section 53A-1a-1004; and

(h) in implementing the home-based educational technology program, the contractor shall seek the advise and expertise of early childhood education professionals within the Utah System of Higher Education on issues such as:

(i) soliciting families to participate in the program;

(ii) providing training to families; and

(iii) motivating families to regularly use the instructional software.

(5) The contract shall provide funding for a home-based educational technology program for preschool children for one year with an option to extend the contract for additional years or to expand the program to a greater number of preschool children, subject to the appropriation of money by the Legislature for UPSTART.

Section 6. Section 53A-1a-1003 is enacted to read:

53A-1a-1003. School district participation in UPSTART.

(1) A school district may participate in UPSTART if the local school board agrees to work in cooperation with the contractor to provide administrative and technical support for the pilot project.

(2) Family participants in UPSTART shall be solicited from school districts that participate in UPSTART.

(3) A school district that participates in UPSTART shall:
(a) receive funding for:
   (i) paraprofessional and technical support staff; and
   (ii) travel, materials, and meeting costs of the program;
(b) participate in program training by the contractor; and
(c) agree to adopt standardized policies and procedures in implementing the pilot project.

Section 7. Section 53A-1a-1004 is enacted to read:

53A-1a-1004. Family participation in UPSTART.
   (1) The contractor shall solicit families to participate in UPSTART through a public information campaign and referrals from participating school districts.
   (2) (a) Preschool children who participate in UPSTART shall:
      (i) be from families with diverse socioeconomic and ethnic backgrounds; and
      (ii) reside in different regions of the state in both urban and rural areas.
      (b) At least 30% of the preschool children who participate in UPSTART shall be from low income families.
(3) A low income family that cannot afford a computer and Internet service to operate the instructional software may obtain a computer and peripheral equipment on loan and receive free Internet service for the duration of the family's participation in the pilot project.
(4) The contractor shall make the home-based educational technology program available to families at an agreed upon cost if the number of families who would like to participate in UPSTART exceeds the number of participants funded by the legislative appropriation.

Section 8. Section 53A-1a-1005 is enacted to read:

53A-1a-1005. Purchase of equipment and service through cooperative purchasing contracts.
The State Board of Education or a school district may purchase computers, peripheral equipment, and Internet service for low income families who cannot afford them through cooperative purchasing contracts administered by the state Division of Purchasing and General Services.

Section 9. Section 53A-1a-1006 is enacted to read:

53A-1a-1006. Audit and evaluation.
(1) The state auditor shall:
   (a) conduct an annual audit of the contractor's use of funds for UPSTART; or
   (b) contract with an independent certified public accountant to conduct an annual audit.

(2) The State Board of Education shall:
   (a) require by contract that the contractor will open its books and records relating to its expenditure of funds pursuant to the contract to the state auditor or the state auditor's designee;
   (b) reimburse the state auditor for the actual and necessary costs of the audit; and
   (c) contract with an independent, qualified evaluator, selected through a request for proposals process, to evaluate the home-based educational technology program for preschool children.

(3) Of the monies appropriated by the Legislature for UPSTART, excluding funds used to provide computers, peripheral equipment, and Internet service to families, no more than 7.5% may be used for the evaluation of the program.

Section 10. Section 53A-1a-1007 is enacted to read:

53A-1a-1007. Annual report.

(1) The State Board of Education shall make a report on UPSTART to the Education Interim Committee by November 30 each year.

(2) The report shall:
   (a) address the extent to which UPSTART is accomplishing the purposes for which it was established as specified in Section 53A-1a-1002; and
   (b) include the following information:
      (i) the number of families:
         (A) volunteering to participate in the program;
         (B) selected to participate in the program;
         (C) requesting computers; and
         (D) furnished computers;
      (ii) the frequency of use of the instructional software;
      (iii) obstacles encountered with software usage, hardware, or providing technical assistance to families;
      (iv) student performance on pre-kindergarten and post-kindergarten assessments conducted by school districts and charter schools for students who participated in the
home-based educational technology program and those who did not participate in the program;

and

(v) as available, the evaluation of the program conducted pursuant to Section 53A-1a-1006.

Section 11. Section 53A-6-113 is enacted to read:

53A-6-113. Grant program for distinguished teachers -- Additional compensation.

(1) As used in this section:

(a) "American Board" means the American Board for Certification of Teacher Excellence.

(b) "Distinguished Teacher" means the advanced credential offered by the American Board.

(c) "Licensed teacher" means a teacher who holds:

(i) a level 1, level 2, or level 3 license; and

(ii) the endorsements required by board rule for the teacher's assignments.

(2) Subject to budget constraints, a grant program is created to:

(a) minimize out-of-pocket expenses of licensed teachers to obtain the American Board Distinguished Teacher certification; and

(b) provide additional compensation to licensed teachers who obtain the American Board Distinguished Teacher certification.

(3) The board shall award grants to school districts and charter schools for the purposes stated in Subsection (2) from monies appropriated by the Legislature for those purposes.

(4)(a) To receive grant monies to minimize out-of-pocket expenses of licensed teachers to obtain the American Board Distinguished Teacher certification, a school district or charter school shall provide matching funds equal to the amount of the grant.

(b) A school district or charter school shall use grant monies received under Subsection (4)(a) to pay for costs of licensed teachers directly related to obtaining American Board Distinguished Teacher certification.

(5)(a) A school district or charter school may apply for grant monies to provide additional compensation to licensed teachers who obtain the American Board Distinguished Teacher certification.

(b)(i) A school district or charter school shall receive grant monies in the amount of
$1,500 for each American Board Distinguished Teacher, except as provided in Subsection (5)(b)(ii).

(ii) If the request for grant monies under this Subsection (5) exceed the monies appropriated for the grant program, the board shall prorate the amounts of the grants based upon the amount of grant monies available.

(c) Using school district or charter school funds, a school district or charter school may match the grant monies to further increase compensation to teachers who obtain the American Board Distinguished Teacher certification.

(6) School district or charter school participation in the program is voluntary and shall be determined by the local school board or charter school governing board.

(7) (a) The board shall make rules in accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, to administer this section.

(b) The rules shall include a formula, developed in consultation with school districts and charter schools, that allocates the funding in a fair and equitable manner to qualified grant applicants.

Section 12. Section 53A-13-110 is enacted to read:


(1) As used in this section, "financial and economic literacy passport" means a document that tracks mastery of financial and economic literacy concepts and completion of financial and economic activities, including the following:

(a) basic budgeting;

(b) saving and financial investments;

(c) banking and financial services, including balancing a checkbook or a bank account;

(d) career management, including earning an income;

(e) rights and responsibilities of renting or buying a home;

(f) retirement planning;

(g) loans and borrowing money, including interest, credit card debt, predatory lending, and payday loans;

(h) insurance;

(i) federal, state, and local taxes;

(j) charitable giving;
(k) online commerce;
(l) identity fraud and theft;
(m) negative financial consequences of gambling;
(n) bankruptcy;
(o) free markets and prices;
(p) supply and demand;
(q) monetary and fiscal policy;
(r) effective business plan creation, including using economic analysis in creating a
plan;
(s) scarcity and choices;
(t) opportunity cost and tradeoffs;
(u) productivity;
(v) entrepreneurism; and
(w) economic reasoning.
(2) The State Board of Education shall:
(a) in cooperation with interested private and non-profit entities:
(i) develop a financial and economic literacy passport that students may elect to
complete;
(ii) develop methods of encouraging parent and educator involvement in completion of
the financial and economic literacy passport; and
(iii) develop and implement appropriate recognition and incentives for students who
complete the financial and economic literacy passport, including:
(A) a financial and economic literacy endorsement on the student's diploma of
graduation;
(B) a specific designation on the student's official transcript; and
(C) any incentives offered by community partners;
(b) more fully integrate existing and new financial and economic literacy education
into instruction in kindergarten through twelfth grade by:
(i) coordinating financial and economic literacy instruction with existing instruction in
other core curriculum areas such as mathematics and social studies;
(ii) using curriculum mapping:
(iii) creating training materials and staff development programs that:
(A) highlight areas of potential coordination between financial and economic literacy
education and other core curriculum concepts; and
(B) demonstrate specific examples of financial and economic literacy concepts as a
way of teaching other core curriculum concepts; and
(iv) using appropriate financial and economic literacy assessments to improve financial
and economic literacy education and, if necessary, developing assessments;
(c) work with interested private and non-profit entities to:
(i) coordinate school use of existing financial and economic literacy education
resources; and
(ii) develop simple, clear, and consistent messaging to reinforce and link existing
financial literacy resources; and
(iii) coordinate the efforts of school, work, private, non-profit, and other financial
education providers in implementing methods of appropriately communicating to teachers,
students, and parents key financial and economic literacy messages; and
(d) in accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act,
make rules to develop guidelines and methods for school districts and charter schools to more
fully integrate financial and economic literacy education into other core curriculum courses.
(3) The state superintendent shall annually report to the Education Interim Committee
by November of each year on the successes and areas of needed improvement in financial and
economic literacy education provided pursuant to this section.
Section 13. 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 [$2,514 $2,577, except as otherwise provided in this chapter.
(2) (a) "Certified revenue levy" means a property tax levy that provides an amount of
ad valorem property tax revenue equal to the sum of:
(i) the amount of ad valorem 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
(ii) the product of:
(A) new growth, as defined in Section 59-2-924 and rules of the State Tax
Commission; and
(B) the minimum basic tax rate certified by the State Tax Commission for the previous
year.
(b) For purposes of this Subsection (2), "ad valorem property tax revenue" does not
include property tax revenue received statewide from personal property that is:
(i) assessed by a county assessor in accordance with Title 59, Chapter 2, Part 3, County
Assessment; and
(ii) semiconductor manufacturing equipment.
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 WPUs" means the unit of measure of
factors that is computed in accordance with this chapter for the purpose of determining the
Section 14. 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 [$2,273,574,120] $2,495,183,979 for the fiscal year beginning July 1, 2007, 2008, except as otherwise provided by the Legislature through supplemental appropriations.

(2) There is appropriated from state and local funds for fiscal year 2007-08 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, [$61,819,260 (24,590 WPU)] [$65,182,638 (25,294 WPU)];

(b) basic program - grades 1-12, [$1,202,446,200 (478,300 WPU)] [$1,258,253,751 (488,263 WPU)];

(c) basic program - professional staff, [$112,436,136 (44,724 WPU)] [$116,307,741 (45,133 WPU)];

(d) basic program - administrative costs, [$4,072,680 (1,620 WPU)] [$4,174,740 (1,660 WPU)];

(e) basic program - necessarily existent small schools and units for consolidated schools, [$19,229,586] [$19,711,473 (7,649 WPU)];

(f) special education - regular program - add-on WPU for students with disabilities, [$143,034,030 (56,895 WPU)] [$155,789,958 (60,454 WPU)];

(g) preschool special education program, [$20,918,994 (8,321 WPU)] [$22,082,313 (8,569 WPU)];

(h) self-contained regular WPU, [$33,587,040 (13,360 WPU)] [$34,573,032 (13,416 WPU)];

(i) extended year program for severely disabled, [$922,638 (367 WPU)] [$968,952 (376 WPU)];

(j) special education programs in state institutions and district impact aid, [$4,090,278 (+1,627 WPU)];

(k) career and technical education district programs, [$65,147,796 (25,914 WPU)] [$67,530,285 (26,205 WPU)], including [$1,114,000] [$1,154,458 for summer career and technical education agriculture programs;
(1,117 WPUs);  
(m) class size reduction, [$82,330,986 (32,749)] [$88,373,061 (34,293 WPUs)];  
(n) Social Security and retirement programs, [$333,315,119] [$349,906,049];  
(o) pupil transportation to and from school, [$70,928,797] [$74,446,865], of which not less than [$2,462,300] [$2,584,435 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, $21,820,748;  
(r) Interventions for Student Success Block Grant Program, [$17,953,612]  
(s) Quality Teaching Block Grant Program, [$73,947,829] [$77,615,641];  
(t) highly impacted schools, $5,123,207;  
(u) at-risk programs, [$29,926,867] [$31,411,241];  
(v) adult education, [$9,781,008] [$10,266,146];  
(w) accelerated learning programs, [$3,975,546] [$4,295,581];  
(x) concurrent enrollment, [$9,215,497] [$9,672,586];  
(y) High-ability Student Initiative Program, $500,000;  
(z) English Language Learner Family Literacy Centers, $2,000,000;  
[(aa)] (aa) electronic high school, $2,000,000;  
[(bb)] School LAND Trust Program, [$21,000,000] [$26,499,500];  
[(cc)] state-supported voted leeway, $227,700,777;  
[(dd)] state-supported board leeway, $62,066,336;  
[(ee)] charter schools, pursuant to Section 53A-1a-513, [$28,509,000] [$35,599,119];  
[(ff)] charter school administrative costs, [$750,000] [$2,029,020];  
[(gg)] K-3 Reading Improvement Program, [$12,500,000] [$15,000,000];  
[(hh)] state-supported board leeway for K-3 Reading Improvement Program;  
[(ii)] Public Education Job Enhancement Program, $2,430,000[;]  
(gg) educator salary adjustments, $148,260,200;  
(hh) Teacher Salary Supplement Restricted Account, $4,700,000;  
(ii) library books and electronic resources, $1,500,000;
(jj) school nurses, $1,000,000;
(kk) critical languages, $230,000;
(ll) extended year for special educators, $2,900,000;
(mm) USTAR Centers, $6,900,000;
(nn) state-supported voted leeway, $273,337,346;
(oo) state-supported board leeway, $71,575,858; and
(pp) state-supported board leeway for K-3 Reading Improvement Program.

$15,000,000.

Section 15. Section 53A-17a-108 is amended to read:

53A-17a-108. Weighted pupil units for school district administrative costs -- Appropriation for charter school administrative costs.

(1) Administrative costs weighted pupil units are computed and distributed to districts in accordance with the following schedule:

<table>
<thead>
<tr>
<th>Administrative Costs Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>School District Enrollment as of October 1</td>
</tr>
<tr>
<td>1 - 2,000 students</td>
</tr>
<tr>
<td>2,001 - 10,000 students</td>
</tr>
<tr>
<td>10,001 - 20,000 students</td>
</tr>
<tr>
<td>20,001 and above</td>
</tr>
</tbody>
</table>

(2) (a) Money appropriated to the State Board of Education for charter school administrative costs, including an appropriation in Section 53A-17a-104, shall be distributed to charter schools in the amount of [($62] $70 for each charter school student in enrollment.

(b) Charter schools are encouraged to identify and use cost-effective methods of performing administrative functions, including contracting for administrative services with the State Charter School Board as provided in Section 53A-1a-501.6.

(3) Charter schools are not eligible for funds for administrative costs under Subsection (1).

Section 16. Section 53A-17a-120 is amended to read:

53A-17a-120. Appropriation for accelerated learning programs.

(1) Money appropriated to the State Board of Education in Section 53A-17a-104 for accelerated learning programs shall be allocated to local school boards and charter schools for
the following programs:

(a) programs in grades 1-12 for the gifted and talented; and

(b) advanced placement;

(c) International Baccalaureate.

(2) (a) Districts shall spend monies for these programs according to rules established by the State Board of Education in accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act.

(b) The State Board of Education shall develop uniform and consistent policies for school districts to follow in utilizing advanced placement monies.

Section 17. Section 53A-17a-126 is amended to read:

53A-17a-126. State support of pupil transportation.

(1) Money appropriated to the State Board of Education in Section 53A-17a-104 for state-supported transportation of public school students shall be apportioned and distributed in accordance with Section 53A-17a-127, except as otherwise provided in this section.

(2) (a) The Utah Schools for the Deaf and the Blind shall use money appropriated in Section 53A-17a-104 to pay for transportation of their students based on current valid contractual arrangements and best transportation options and methods as determined by the schools.

(b) All student transportation costs of the schools shall be paid from the allocation of pupil transportation monies received under Section 53A-17a-104.

(3) (a) A school district may only claim eligible transportation costs as legally reported on the prior year's annual financial report submitted under Section 53A-3-404. Each district shall receive its

(b) The state shall contribute 85% of approved transportation costs, except that if during the subject to budget constraints.

(c) If in a fiscal year the total transportation allowance for all districts exceeds the amount appropriated for that purpose, all allowances shall be reduced pro rata to equal not more than the amount appropriated.

(4) Local school boards shall provide salary adjustments to employee groups that work with the transportation of students comparable to those of classified employees authorized under Section 53A-17a-137, when dividing the weighted pupil unit for salary adjustment
purposes.

Section 18. Section 53A-17a-127 is amended to read:

53A-17a-127. Eligibility for state-supported transportation -- Approved bus routes -- Additional local tax.

(1) A student eligible for state-supported transportation means:

(a) a student enrolled in kindergarten through grade six who lives at least 1-1/2 miles from school;

(b) a student enrolled in grades seven through 12 who lives at least two miles from school; and

(c) a student enrolled in a special program offered by a school district and approved by the State Board of Education for trainable, motor, multiple-disabled, or other students with severe disabilities who are incapable of walking to school or where it is unsafe for students to walk because of their disabling condition, without reference to distance from school.

(2) If a school district implements double sessions as an alternative to new building construction, with the approval of the State Board of Education, those affected elementary school students residing less than 1-1/2 miles from school may be transported one way to or from school because of safety factors relating to darkness or other hazardous conditions as determined by the local school board.

(3) (a) The State Board of Education shall distribute transportation monies to school districts based on:

(i) an allowance per mile for approved bus routes;

(ii) an allowance per hour for approved bus routes; and

(iii) an annual allowance for equipment and overhead costs based on approved bus routes and the age of the equipment;

(iv) a minimum allocation for each school district eligible for transportation funding.

(b) The State Board of Education shall distribute appropriated transportation funds based on the prior year's eligible transportation costs as legally reported under Subsection 53A-17a-126(3).

(c) In order for a bus to be considered for the equipment allowance under Subsection (3)(a)(iii), it must meet federal and state regulations and standards for school buses.

(d) The State Board of Education shall annually review the allowance per
mile, the allowance per hour, and the annual equipment and overhead allowance and adjust the allowance to reflect current economic conditions.

(4) (a) Approved bus routes for funding purposes shall be determined on fall data collected by October 1.

(b) Approved route funding shall be determined on the basis of the most efficient and economic routes.

(5) A Transportation Advisory Committee with representation from local school superintendents, business officials, school district transportation supervisors, and the state superintendent's staff shall serve as a review committee for addressing school transportation needs, including recommended approved bus routes.

(6) (a) A local school board may provide for the transportation of students who are not eligible under Subsection (1), regardless of the distance from school, from:

(i) general funds of the district; and

(ii) a tax rate not to exceed .0003 per dollar of taxable value imposed on the district.

(b) A local school board may use revenue from the tax to pay for transporting participating students to interscholastic activities, night activities, and educational field trips approved by the board and for the replacement of school buses.

(c) (i) If a local school board levies a tax under Subsection (6)(a)(ii) of at least .0002, the state may contribute an amount not to exceed 85% of the state average cost per mile, contingent upon the Legislature appropriating funds for a state contribution.

(ii) The state superintendent's staff shall distribute the state contribution according to rules enacted by the State Board of Education.

(d) (i) The amount of state guarantee money which a school district would otherwise be entitled to receive under Subsection (6)(c) may not be reduced for the sole reason that the district's levy is reduced as a consequence of changes in the certified tax rate under Section 59-2-924 due to changes in property valuation.

(ii) Subsection (6)(d)(i) applies for a period of two years following the change in the certified tax rate.

(7) There is appropriated for the fiscal year beginning July 1, 1999, $225,000 to the state board as the state's contribution under Subsection (6)(c)(i).

Section 19. Section 53A-17a-148 is amended to read:
53A-17a-148. Use of nonlapsing balances.

(1) (a) As used in this section, "new teacher" means a person who:

(i) is a licensed classroom teacher;

(ii) is hired by a school district or charter school to begin teaching during the 2008-09 school year;

(iii) did not work in this state as a classroom teacher at a school district or charter school during the 2007-08 school year; and

(iv) has never received a signing bonus in this state.

(b) A new teacher may include a person who is returning to teaching after one or more years of interrupted service.

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

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

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

(3) The State Board of Education shall use Minimum School Program nonlapsing balances as follows:

(a) $5,000,000 shall be allocated to school districts and charter schools to provide one-time signing bonuses for new teachers as provided under Subsection (4);

(b) $19,000,000 shall be allocated to school districts and charter schools to provide one-time performance-based compensation as provided under Subsection (5); and

(c) $1,000,000 shall be used to establish a grant program to minimize the expenses of teachers to obtain the American Board Distinguished Teacher certification and to provide additional compensation to teachers who obtain that certification as provided in Section 53A-6-113.

(4) (a) Subject to the availability of funding, school districts and charter schools shall provide a one-time signing bonus of $1,000 to a new teacher.

(b) If the total bonuses under Subsection (4)(a) for all school districts and charter schools exceed $5,000,000, all bonuses shall be reduced pro rata so that the total bonuses do not exceed $5,000,000.

(c) To qualify for a bonus, a new teacher shall:

(i) be hired prior to October 1, 2008; and
(ii) teach for at least 30 days in the school district or charter school.

(5) (a) The $19,000,000 for performance-based compensation shall be allocated to qualifying school districts and charter schools on a per pupil basis.

(b) (i) To receive an allocation under Subsection (5)(a), a school district or charter school shall submit, prior to July 1, 2008, a written performance-based compensation plan to the State Board of Education.

(ii) The performance-based compensation plan shall provide specific information about how the school district or charter school intends to spend its allocation, including:

(A) who is eligible for the performance-based compensation;

(B) criteria for awarding performance-based compensation;

(C) the instruments or assessments that may be used to measure or evaluate performance;

(D) the amount of performance-based compensation that may be awarded; and

(E) whether the performance-based compensation will be based on individual, team, or school-based performance, or a combination of those.

(iii) The State Board of Education shall send the plans to the Executive Appropriations Committee and the Education Interim Committee on July 1, 2008 for review and comment.

(c) (i) A school district or charter school shall award performance-based compensation from monies distributed under this section for employee performance during the 2008-09 school year.

(ii) Performance-based compensation monies may only be used in accordance with a school district or charter school's performance-based compensation plan.

(iii) If a school district or charter school uses performance-based compensation monies for purposes other than those stated in this Subsection (5) and its performance-based compensation plan, the school district or charter school shall reimburse the monies that were improperly used.

(d) A school district or charter school that awards performance-based compensation from monies distributed under this section shall report the following information to the Executive Appropriations Committee by June 30, 2008:

(i) the number of employees who received performance-based compensation;

(ii) the total number of employees;
Section 20. Section 53A-17a-153 is amended to read:

53A-17a-153. Educator salary adjustments.

(1) As used in this section, "educator" means a person employed by a school district, charter school, or the Utah Schools for the Deaf and the Blind who holds:

(a) a license issued under Title 53A, Chapter 6, Educator Licensing and Professional Practices Act; and

(b) a position as a:

(i) classroom teacher;

(ii) speech pathologist;

(iii) librarian or media specialist;

(iv) preschool teacher;

(v) school administrator;

(vi) mentor teacher;

(vii) teacher specialist or teacher leader;

(viii) guidance counselor;

(ix) audiologist;

(x) psychologist; or

(xi) social worker.

(2) In recognition of the need to attract and retain highly skilled and dedicated educators, the Legislature shall annually appropriate money for educator salary adjustments, subject to future budget constraints.

(3) Money appropriated to the State Board of Education for educator salary adjustments shall be distributed to school districts, charter schools, and the Utah Schools for the Deaf and the Blind in proportion to the number of full-time-equivalent educator positions in a school district, a charter school, or the Utah Schools for the Deaf and the Blind as compared to the total number of full-time-equivalent educator positions in school districts, charter schools, and the Utah Schools for the Deaf and the Blind.

(4) School districts, charter schools, and the Utah Schools for the Deaf and the Blind shall award bonuses to educators as follows:
The amount of the salary adjustment shall be the same for each full-time-equivalent educator position in the school district, charter school, or the Utah Schools for the Deaf and the Blind; a person who is not a full-time educator shall receive a partial salary adjustment based on the number of hours the person works as an educator; and salary adjustments may be awarded only to educators who have received a satisfactory rating or above on their most recent evaluation.

Each school district and charter school and the Utah Schools for the Deaf and the Blind shall submit a report to the State Board of Education on how the money for salary adjustments was spent, including the amount of the salary adjustment and the number of full and partial salary adjustments awarded.

The State Board of Education shall compile the information reported under Subsection (5) and submit it to the Public Education Appropriations Subcommittee by November 30 each year.

The State Board of Education may make rules as necessary to administer this section, in accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act.

Subject to future budget constraints, the Legislature shall appropriate sufficient monies each year to:

- maintain educator salary adjustments provided in prior years; and
- provide educator salary adjustments to new employees.

Money appropriated for educator salary adjustments shall include money for the following employer-paid benefits:

- retirement;
- worker's compensation;
- Social Security; and
- Medicare.

Section 21. Section 53A-17a-156 is enacted to read:

53A-17a-156. Teacher Salary Supplement Program.

As used in this section:

(a) "Eligible teacher" means a teacher who:

(i) has an assignment to teach;
(A) a secondary school level mathematics course;
(B) integrated science in grade 7 or 8;
(C) chemistry; or
(D) physics;
(ii) holds the appropriate endorsement for the assigned course;
(iii) has qualifying educational background; and
(iv) (A) is a new employee; or
(B) received a satisfactory rating or above on the teacher's most recent evaluation.
(b) "Qualifying educational background" means:
(i) for a teacher who is assigned a secondary school level mathematics course, a bachelor's degree major, master's degree, or doctoral degree in mathematics; and
(ii) for a teacher who is assigned a grade 7 or 8 integrated science course, chemistry course, or physics course, a bachelor's degree major, master's degree, or doctoral degree in:
(I) integrated science;
(II) chemistry;
(III) physics;
(IV) physical science; or
(V) general science.
(2) (a) Subject to future budget constraints, the Legislature shall annually appropriate money to the Teacher Salary Supplement Restricted Account established in Section 53A-17a-157 to fund the Teacher Salary Supplement Program.
(b) Money appropriated for the Teacher Salary Supplement Program shall include money for the following employer-paid benefits:
(i) retirement;
(ii) workers' compensation;
(iii) Social Security; and
(iv) Medicare.
(3) (a) Beginning in fiscal year 2008-09, the annual salary supplement is $4,500 for an eligible teacher who:
(i) is assigned full-time to teach one or more courses listed in Subsections (1)(a)(i)(A) through (D); and
(ii) meets the requirements of Subsections (1)(a)(ii) and (iii) for each course
assignment.

(b) An eligible teacher who has a part-time assignment to teach one or more courses
listed in Subsections (1)(a)(i)(A) through (D) shall receive a partial salary supplement based on
the number of hours worked in a course assignment that meets the requirements of Subsections
(1)(a)(ii) and (iii).

(4) The Department of Human Resource Management shall:

(a) create an on-line application system for a teacher to apply to receive a salary
supplement through the Teacher Salary Supplement Program;

(b) determine if a teacher:

(i) is an eligible teacher; and

(ii) has a course assignment as listed in Subsections (1)(a)(i)(A) through (D);

(c) verify, as needed, the determinations made under Subsection (4)(b) with school
district and school administrators; and

(d) certify a list of eligible teachers and the amount of their salary supplement, sorted
by school district and charter school, to the Division of Finance.

(5) (a) An eligible teacher shall apply with the Department of Human Resource
Management prior to the conclusion of a school year to receive the salary supplement
authorized in this section.

(b) An eligible teacher may apply with the Department of Human Resource
Management, after verification that the requirements under this section have been satisfied, to
receive a salary supplement after the completion of:

(i) the school year as an annual award; or

(ii) a semester or trimester as a partial award based on the portion of the school year
that has been completed.

(6) (a) The Division of Finance shall distribute monies from the Teacher Salary
Supplement Restricted Account to school districts and charter schools for the Teacher Salary
Supplement Program in accordance with the provisions of this section.

(b) The Department of Human Resource Management shall include the employer-paid
benefits described under Subsection (2)(b) in the amount of each salary supplement certified to
the Division of Finance.
(c) The employer-paid benefits described under Subsection (2)(b) are an addition to the
salary supplement limits described under Subsection (3).

(7) (a) Money received from the Teacher Salary Supplement Restricted Account shall
be used by a school district or charter school to provide a salary supplement equal to the
amount specified for each eligible teacher.

(b) The salary supplement is part of the teacher's base pay, subject to the teacher's
qualification as an eligible teacher every year, semester, or trimester.

(8) The State Board of Education shall cooperate with the Department of Human
Resource Management as it administers the Teacher Salary Supplement Program by:

(a) providing or verifying teacher data, as requested; and

(b) making information technology resources available.

(9) Notwithstanding the provisions of this section, if the appropriation for the program
is insufficient to cover the costs associated with salary supplements, the Department of Human

Section 22. Section 53A-17a-157 is enacted to read:


(1) There is created within the Uniform School Fund a restricted account known as the
"Teacher Salary Supplement Restricted Account."

(2) The account shall be funded from appropriations made to the account by the
Legislature.

(3) The account shall be used to fund teacher salary supplements for school districts
and charter schools as provided in Section 53A-17a-156.

(4) The Division of Finance shall distribute account monies to school districts and
charter schools for the Teacher Salary Supplement Program as provided in Section
53A-17a-156.

Section 23. Section 53A-17a-158 is enacted to read:

53A-17a-158. Stipends for special educators for additional days of work.

(1) As used in this section:

(a) "IEP" means an individualized education program developed pursuant to the
Individuals with Disabilities Education Improvement Act of 2004, as amended.

(b) "Special education teacher" means a teacher whose primary assignment is the
instruction of students with disabilities who are eligible for special education services.

(c) "Special educator" means a person employed by a school district, charter school, or the Utah Schools for the Deaf and the Blind who holds:

(i) a license issued under Title 53A, Chapter 6, Educator Licensing and Professional Practices Act; and

(ii) a position as a:

(A) special education teacher; or

(B) speech-language pathologist.

(2) The Legislature shall annually appropriate money for stipends to special educators for additional days of work:

(a) in recognition of the added duties and responsibilities assumed by special educators to comply with federal law regulating the education of students with disabilities and the need to attract and retain qualified special educators; and

(b) subject to future budget constraints.

(3) The State Board of Education shall distribute money appropriated under this section to school districts, charter schools, and the Utah Schools for the Deaf and the Blind for stipends for special educators in the amount of $200 per day for up to ten additional working days.

(4) A special educator receiving a stipend shall:

(a) work an additional day beyond the number of days contracted with the special educator's school district or school for each daily stipend;

(b) schedule the additional days of work before or after the school year; and

(c) use the additional days of work to perform duties related to the IEP process, including:

(i) administering student assessments;

(ii) conducting IEP meetings;

(iii) writing IEPs;

(iv) conferring with parents; and

(v) maintaining records and preparing reports.

(5) A special educator may:

(a) elect to receive a stipend for one to ten days of additional work; or

(b) elect to not receive a stipend.
(6) A person who does not hold a full-time position as a special educator is eligible for a partial stipend equal to the percentage of a full-time special educator position the person assumes.

Section 24. Section 53A-17a-159 is enacted to read:

53A-17a-159, Utah Science Technology and Research Initiative Centers Program.

(1) (a) The Utah Science Technology and Research Initiative (USTAR) Centers Program is created to provide a financial incentive for charter schools and school districts to adopt programs that result in a more efficient use of human resources and capital facilities.

(b) The potential benefits of the program include:

(i) increased compensation for math and science teachers by providing opportunities for an expanded contract year which will enhance school districts' and charter schools' ability to attract and retain talented and highly qualified math and science teachers;

(ii) increased capacity of school buildings by using buildings more hours of the day or more days of the year, resulting in reduced capital facilities costs;

(iii) decreased class sizes created by expanding the number of instructional opportunities in a year;

(iv) opportunities for earlier high school graduation;

(v) improved student college preparation;

(vi) increased opportunities to offer additional remedial and advanced courses in math and science;

(vii) opportunities to coordinate high school and post-secondary math and science education; and

(viii) the creation or improvement of science, technology, engineering, and math centers (STEM Centers).

(2) From monies appropriated for the USTAR Centers Program, the State Board of Education shall award grants to charter schools and school districts to pay for costs related to the adoption and implementation of the program.

(3) The State Board of Education shall:

(a) solicit proposals from the State Charter School Board and school districts for the use of grant monies to facilitate the adoption and implementation of the program; and

(b) award grants on a competitive basis.
The State Charter School Board shall:
(a) solicit proposals from charter schools that may be interested in participating in the USTAR Centers Program;
(b) prioritize the charter school proposals and consolidate them into the equivalent of a single school district request; and
(c) submit the consolidated request to the State Board of Education.

In selecting a grant recipient, the State Board of Education shall consider:
(a) the degree to which a charter school or school district's proposed adoption and implementation of an extended year for math and science teachers achieves the benefits described in Subsection (1);
(b) the unique circumstances of different urban, rural, large, small, growing, and declining charter schools and school districts; and
(c) providing pilot programs in as many different school districts and charter schools as possible.

Except as provided in Subsection (6)(b), a school district or charter school may only use grant monies to provide full year teacher contracts, part-time teacher contract extensions, or combinations of both, for math and science teachers.

Up to 5% of the grant monies may be used to fund math and science field trips, textbooks, and supplies.

Participation in the USTAR Centers Program shall be:
(a) voluntary for an individual teacher; and
(b) voluntary for a charter school or school district.

The State Board of Education shall make an annual report during the 2009, 2010, and 2011 interims to the Public Education Appropriations Subcommittee describing the program's impact on students and its effectiveness at achieving the benefits described in Subsection (1).

Section 25. Section 53A-17a-160 is enacted to read:

High-ability Student Initiative Program.

The High-ability Student Initiative Program is created to provide resources for educators to enhance the academic growth of high-ability students.

The program shall consist of:
(a) personnel under the direction of the State Board of Education and superintendent of public instruction who shall direct and facilitate the program;

(b) a comprehensive, Internet-based resource center to provide information about high-ability students to teachers, administrators, parents, and the community;

(c) professional development and professional learning communities for teachers, including research-based tools to:

(i) identify high-ability students;

(ii) implement strategies to meet high-ability students' needs;

(iii) train and mentor teachers; and

(iv) enhance teacher collaboration and networking, including videoconferencing equipment for classroom observation and coaching;

(d) assistance for a teacher to obtain an endorsement for gifted and talented education;

and

(e) an evaluation of the program.

(3) (a) From monies appropriated for the High-ability Student Initiative Program, the State Board of Education shall establish a grant program to encourage a licensed teacher to obtain an endorsement for gifted and talented education.

(b) The State Board of Education may award up to 250 grants in amounts of up to $2,500 each.

(c) To receive a grant, a licensed teacher shall provide matching funds in an amount equal to 1/2 the grant amount.

(4) From monies appropriated for the High-ability Student Initiative Program, the State Board of Education shall:

(a) contract with an independent, qualified evaluator, selected through a request for proposals process, to evaluate the High-ability Student Initiative Program; and

(b) provide up to 60 stipends in amounts of up to $1,500 each for teachers who participate in the evaluation.

(5) High-ability Student Initiative Program monies may not be used to supplant funds for existing programs, but may be used to augment existing programs.

(6) Participation in the High-ability Student Initiative Program shall be:

(a) voluntary for an individual teacher; and
(b) voluntary for a charter school or school district.

(7) The State Board of Education shall make an annual report during the 2009, 2010, and 2011 interims to the Public Education Interim Committee describing the program's impact on high-ability students.

Section 26. Section 53A-17a-161 is enacted to read:

**53A-17a-161. English Language Learner Family Literacy Centers Program -- Report.**

(1) Money appropriated for the English Language Learner Family Literacy Centers Program shall be used by school districts and charter schools to pay for costs of English Language Learner Family Literacy Centers as provided in this section.

(2) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the State Board of Education, after consultation with school districts and charter schools, shall adopt a formula that allocates the money appropriated by the Legislature for the English Language Learner Family Literacy Centers Program to school districts and charter schools in a fair and equitable manner.

(3) English Language Learner Family Literacy Centers shall be established to:

- (a) increase parent involvement;
- (b) communicate with parents who are not proficient in English concerning required and optional activities at the school, in the parents' preferred language to the extent practicable;
- (c) increase academic achievement, literacy skills, and language gains in all ethnic groups of students and their families;
- (d) coordinate with school administrators, educators, families, and students; and
- (e) support and coordinate with other language acquisition instructional services and language proficiency programs in the public schools.

(4) The State Board of Education shall make a report to the Education Interim Committee on the effectiveness of the English Language Learner Family Literacy Centers Program before November 30, 2011.

Section 27. Section 53A-17a-162 is enacted to read:

**53A-17a-162. Beverley Taylor Sorenson Elementary Arts Learning Program.**

(1) The Legislature finds that a strategic placement of arts in elementary education can impact the critical thinking of students in other core subject areas, including mathematics.
(2) The Beverley Taylor Sorenson Elementary Arts Learning Program is created to enhance the social, emotional, academic, and arts learning of students in kindergarten through grade six by integrating arts teaching and learning into core subject areas.

(3) From monies appropriated for the Beverley Taylor Sorenson Elementary Arts Learning Program, the State Board of Education shall, after consulting with the Utah Arts Council and receiving their recommendations:

(a) establish a grant program to allow school districts and charter schools to hire 50 highly qualified, full-time arts specialists to be based at 50 schools;

(b) provide up to $10,000 in one-time funds for each school arts specialist described under Subsection (3)(a) to purchase supplies and equipment;

(c) establish a grant program to allow ten school districts to hire art coordinators, provided that a qualifying school district provides matching funds in an amount equal to the grant amount; and

(d) annually contract with an independent, qualified evaluator, selected through a request for proposals process, to evaluate the Beverley Taylor Sorenson Elementary Arts Learning Program.

(4) Beverley Taylor Sorenson Elementary Arts Learning Program monies may not be used to supplant funds for existing programs funded by the state, but shall be used to augment existing programs.

(5) Schools that participate in the Beverley Taylor Sorenson Elementary Arts Learning Program shall partner with institutions of higher education that award elementary education degrees to obtain quality pre-service and in-service training, research, and leadership development for arts education.

(6) The State Board of Education shall, after consultation with the Utah Arts Council, make an annual report during the 2009, 2010, and 2011 interims to the Public Education Interim Committee describing the program's impact on students in kindergarten through grade six.

Section 28. Section 63-55b-153 is amended to read:

63-55b-153. Repeal dates -- Titles 53, 53A, and 53B.

(1) Section 53-3-210 is repealed February 1, 2007.
Section 29. **Ongoing appropriations.**

(1) As an ongoing appropriation subject to future budget constraints, there is appropriated from the Uniform School Fund for fiscal year 2008-09, as follows:

(a) $2,500,000 to the State Board of Education for UPSTART as provided in Title 53A, Chapter 1a, Part 10, UPSTART, including costs of:

(i) a home-based educational technology program provided by a contractor;

(ii) computers, peripheral equipment, and Internet service for families who cannot afford the equipment and service;

(iii) administrative and technical support provided by school districts;

(iv) an audit of the contractor's use of funds appropriated for UPSTART; and

(v) an evaluation of the home-based educational technology program;

(b) $100,000 to the State Board of Education for staff development and assessments in financial and economic literacy as provided by Subsection 53A-13-110(2)(b);

(c) $869,580 to the State Charter School Board for support services to charter schools as provided in Section 53A-1a-501.6; and

(d) $4,700,000 from the Uniform School Fund Teacher Salary Supplement Restricted Account for the Teacher Salary Supplement Program in accordance with the provisions under Sections 53A-17a-156 and 53A-17a-157.

(2) As an ongoing appropriation subject to future budget constraints, there is appropriated from the General Fund for fiscal year 2008-09, $250,000 from the General Fund to the Department of Human Resource Management for administration of the Teacher Salary Supplement Program established in Section 53A-17a-156.
Section 30. **One-time appropriations for fiscal year 2008-09.**

(1) There is appropriated from the Uniform School Fund for fiscal year 2008-09 only, as follows:

(a) $3,000,000 to the State Board of Education for pupil transportation to and from school as provided in Sections 53A-17a-126 and 53A-17a-127;

(b) $3,000,000 to the State Board of Education to fund the English Language Learner Family Literacy Centers Program established in Section 53A-17a-161;

(c) $15,820,000 to the State Board of Education to fund the Beverley Taylor Sorenson Elementary Arts Learning Program established in Section 53A-17a-162; and

(d) $150,000 to the State Board of Education to fulfill its requirements under Subsection 53A-13-110(2), including curriculum integration and development of assessments and materials.

(2) The money appropriated in Subsections (1)(a) through (d) is nonlapsing.

Section 31. **One-time appropriations for fiscal year 2007-08.**

(1) There is appropriated for fiscal year 2007-08 only, as follows:

(a) $50,000 from the General Fund to the Department of Human Resource Management for costs to administer the Teacher Salary Supplement Program established in Section 53A-17a-156;

(b) $1,000,000 from the Uniform School Fund to the State Board of Education for UPSTART as provided in Title 53A, Chapter 1a, Part 10, UPSTART; and

(c) $280,000 from the Uniform School Fund to the State Board of Education for library books and electronic resources.

(2) The money appropriated in Subsections (1)(a) through (c) is nonlapsing.

Section 32. **One-time appropriation for classroom supplies.**

(1) There is appropriated from the Uniform School Fund to the State Board of Education for fiscal year 2008-09 only, $10,000,000 for classroom supplies and materials.

(2) (a) Of the amount appropriated in Subsection (1), the board shall distribute $7,500,000 to classroom teachers in school districts, the Schools for the Deaf and the Blind, 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 - $360;
(ii) a teacher on salary schedule steps one through three teaching in grades seven through twelve - $310;
(iii) a teacher on salary schedule step four or higher teaching in grades kindergarten through six or preschool handicapped - $285; and
(iv) a teacher on salary schedule step four or higher teaching in grades seven through twelve - $235.
(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.
(3) (a) Of the amount appropriated in Subsection (1), the State Board of Education shall distribute $2,500,000 for classroom supplies and materials in accordance with a distribution formula established by rule.
(b) The State Board of Education shall make rules in accordance with Subsections (3)(c) and (d) and Title 63, Chapter 46a, Utah Administrative Rulemaking Act, for the distribution of the $2,500,000.
(c) The rules shall give priority to teachers in any grade in the first year of teaching in the awarding of the monies.
(d) The rules may allow the monies to be distributed to teachers in any grade in the second through the fifth year of teaching.
(4) Teachers shall spend the money appropriated in Subsection (1) for school supplies, materials, or field trips under rules adopted by the State Board of Education.
(5) As used in this section, "classroom teacher" or "teacher" means permanent teacher positions filled by one teacher or two or more job-sharing teachers:
(a) who are licensed personnel;
(b) who are paid on the teacher's salary schedule;
(c) who are hired for an entire contract period; and
(d) whose primary function is to provide instructional or a combination of instructional and counseling services to students in public schools.
Section 33. **Intent language.**

It is the intent of the Legislature that:

(1) at least $100,000 of the monies appropriated for accelerated learning programs in accordance with the provisions of Sections 53A-17a-104 and 53A-17a-120 shall be annually allocated to International Baccalaureate programs; and

(2) the State Board of Education shall:

(a) conduct an independent audit of funds allocated to the Utah Virtual Academy charter school through the Minimum School Program, including its expenditures of WPU, categorical (below-the-line), and local replacement funding, as the school begins operations for the 2008-09 school year; and

(b) prepare and present a report to the Executive Appropriations Committee by November 30, 2008, detailing the findings of the independent audit and of Utah Virtual Academy expenditures examined through the audit.

Section 34. **Effective date.**

This bill takes effect on July 1, 2008, except:

(1) if approved by two-thirds of all the members elected to each house, Sections 53A-1a-1001 through 53A-1a-1007 take effect upon approval by the governor, or the day following the constitutional time limit of Utah Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto, the date of veto override; and

(2) the following sections take effect on May 5, 2008:

(a) Section 53A-17a-156; and

(b) Uncodified Section 31, One-time appropriations for fiscal year 2007-08.

Section 35. **Coordinating S.B. 2 with H.B. 1 -- Superseding amendments.**

If this S.B. 2 and H.B. 1, Minimum School Program Base Budget Amendments, both pass, it is the intent of the Legislature that when the Office of Legislative Research and General Counsel prepares the Utah Code database for publication:

(1) the amendments to Section 53A-17a-104 in S.B. 2 supersede the amendments to Section 53A-17a-104 in H.B. 1;

(2) Subsection 53A-17a-104(2)(hh) in H.B. 1 shall be deleted and renumber the remaining subsections accordingly;

(3) the amendments to Section 53A-17a-108 in S.B. 2 supersede the amendments to
section 53A-17a-108 in H.B. 1; and

(4) Uncodified Section 7, Intent language for charter schools appropriation, in H.B. 1 shall be deleted.

Legislative Review Note
as of 3-3-08 1:32 PM

Office of Legislative Research and General Counsel
S.B. 2 - Minimum School Program Budget Amendments

Fiscal Note

2008 General Session
State of Utah

State Impact

Enactment of this bill appropriates $2,436,864,479 in ongoing Uniform School Fund, $31,820,000 in one-time Uniform School Fund, $26,499,500 in ongoing Uniform School Fund Restricted - Interest and Dividends Account, and $280,000 in one-time Uniform School Fund in Fiscal Year 2008 to support the Minimum School Program as outlined in the bill. This bill increases the value of the Weighted Pupil Unit from $2,514 to $2,577, an increase of 2.5 percent. Enactment of this bill provides a total Minimum School Program budget of $3,087,302,953 in Fiscal Year 2009.

Enactment of this bill further appropriates $3,469,580 in ongoing Uniform School Fund, $150,000 in one-time Uniform School Fund, and $1,000,000 in one-time Uniform School Fund in Fiscal Year 2008 to the State Board of Education to implement programs outlined in the bill. This bill appropriates $250,000 in ongoing General Fund and $50,000 in one-time General Fund in Fiscal Year 2008 to the Department of Human Resource Management to administer the Teacher Salary Supplement Program as outlined in the bill.

Finally, enactment of this bill authorizes the State Board of Education to use $25 million in Minimum School Program non-lapsing balances for expenditures detailed in the bill.

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Individual, Business and/or Local Impact

Enactment of this bill provides increased revenue to local school districts and charter schools to support the operation of public schools. Individuals and businesses may also benefit through associated dealings with school districts and charter schools.


Office of the Legislative Fiscal Analyst