

Representative Merlynn T. Newbold proposes the following substitute bill:

MINIMUM SCHOOL PROGRAM BASE BUDGET

2010 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Merlynn T. Newbold

Senate Sponsor: Howard A. Stephenson

LONG TITLE

General Description:

This bill provides base funding for the Minimum School Program.

Highlighted Provisions:

This bill:

- ▶ appropriates state and local funds for the Minimum School Program for fiscal year 2010-11;
- ▶ appropriates \$22,049,700 to the State Board of Education for fiscal year 2010-11 for school building aid programs for school districts;
- ▶ establishes the value of the weighted pupil unit at \$2,487 for fiscal year 2010-11;
- ▶ establishes the estimated minimum basic tax rate at .001513 for fiscal year 2010-11;
- ▶ provides that if monies appropriated to charter schools to replace local property taxes are less than the amount prescribed by a statutory funding formula, monies shall be allocated among charter schools in proportion to each charter school's share of the total enrollment in charter schools;
- ▶ provides that if monies appropriated for charter school administrative costs are insufficient to provide the amount per student prescribed in statute, the appropriation shall be allocated among charter schools in proportion to each charter school's share of the total enrollment in charter schools;



26 ▶ provides certain exemptions to the Budgetary Procedures Act for monies
27 appropriated to the State Board of Education for the Minimum School Program or
28 capital outlay programs; and

29 ▶ makes technical amendments.

30 **Monies Appropriated in this Bill:**

31 This bill appropriates:

32 ▶ as an ongoing appropriation, the following Minimum School Program monies:

33 • \$1,990,547,523 from the Uniform School Fund for fiscal year 2010-11; and

34 • \$20,000,000 from the Uniform School Fund Restricted - Interest and Dividends

35 Account for fiscal year 2010-11; and

36 ▶ as an ongoing appropriation, \$22,049,700 from the Uniform School Fund for school
37 building aid programs for fiscal year 2010-11.

38 **Other Special Clauses:**

39 This bill takes effect on July 1, 2010.

40 **Utah Code Sections Affected:**

41 AMENDS:

42 **53A-1a-513**, as last amended by Laws of Utah 2009, Chapter 391

43 **53A-1a-703**, as enacted by Laws of Utah 2005, Chapter 35

44 **53A-1a-903**, as enacted by Laws of Utah 2007, Chapter 386

45 **53A-2-118.3**, as enacted by Laws of Utah 2008, Chapter 236

46 **53A-16-107**, as last amended by Laws of Utah 2008, Chapter 236

47 **53A-17a-103**, as last amended by Laws of Utah 2008, Chapters 61 and 397

48 **53A-17a-105**, as last amended by Laws of Utah 2009, Chapter 183

49 **53A-17a-108**, as last amended by Laws of Utah 2009, Chapter 391

50 **53A-17a-111**, as last amended by Laws of Utah 2008, Chapter 382

51 **53A-17a-112**, as last amended by Laws of Utah 2005, Chapter 71

52 **53A-17a-113**, as last amended by Laws of Utah 2007, Chapter 372

53 **53A-17a-116**, as last amended by Laws of Utah 2007, Chapter 372

54 **53A-17a-119**, as last amended by Laws of Utah 2003, Chapters 221 and 320

55 **53A-17a-120**, as last amended by Laws of Utah 2008, Chapters 382 and 397

56 **53A-17a-120.5**, as last amended by Laws of Utah 2009, Chapters 321 and 391

- 57 **53A-17a-121**, as last amended by Laws of Utah 2008, Chapter 382
- 58 **53A-17a-123**, as last amended by Laws of Utah 2003, Chapter 320
- 59 **53A-17a-123.5**, as last amended by Laws of Utah 2003, Chapter 320
- 60 **53A-17a-124**, as last amended by Laws of Utah 2003, Chapter 320
- 61 **53A-17a-124.5**, as last amended by Laws of Utah 2003, Chapters 221 and 320
- 62 **53A-17a-125**, as last amended by Laws of Utah 2009, Chapter 391
- 63 **53A-17a-126**, as last amended by Laws of Utah 2008, Chapter 397
- 64 **53A-17a-131.15**, as last amended by Laws of Utah 2008, Chapter 382
- 65 **53A-17a-131.17**, as last amended by Laws of Utah 2008, Chapter 382
- 66 **53A-17a-135**, as last amended by Laws of Utah 2009, Chapter 391
- 67 **53A-17a-146**, as last amended by Laws of Utah 2009, Chapter 4
- 68 **53A-17a-153**, as last amended by Laws of Utah 2009, Chapter 4
- 69 **53A-17a-154**, as enacted by Laws of Utah 2008, Chapter 1
- 70 **53A-17a-155**, as enacted by Laws of Utah 2008, Chapter 1
- 71 **63J-1-206**, as renumbered and amended by Laws of Utah 2009, Chapters 183 and 368

72 REPEALS:

- 73 **53A-17a-104**, as last amended by Laws of Utah 2009, Chapters 4 and 391
- 74 **53A-21-501**, as last amended by Laws of Utah 2009, Chapter 391

75 **Uncodified Material Affected:**

76 ENACTS UNCODIFIED MATERIAL



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

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

80 **53A-1a-513. Funding for charter schools.**

81 (1) As used in this section:

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

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

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

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

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

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

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

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

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

97 (D) a tort liability levy imposed under Section 63G-7-704;

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

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

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

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

102 (B) the average daily membership of a school district's resident students who attend
103 charter schools.

104 (c) "Resident student" means a student who is considered a resident of the school
105 district under Title 53A, Chapter 2, Part 2, District of Residency.

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

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

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

112 (2) (a) Charter schools shall receive funding as described in this section, except
113 Subsections (3) through (8) do not apply to charter schools described in Subsection (2)(b).

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

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

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

- 121 (i) .55 for kindergarten pupils;
- 122 (ii) .9 for pupils in grades 1-6;
- 123 (iii) .99 for pupils in grades 7-8; and
- 124 (iv) 1.2 for pupils in grades 9-12.

125 (4) (a) (i) A school district shall allocate a portion of school district revenues for each
126 resident student of the school district who is enrolled in a charter school on October 1 equal to
127 25% of the lesser of:

- 128 (A) district per pupil local revenues; or
- 129 (B) charter school students' average local revenues.

130 ~~[(ii) For the purpose of allocating school district revenues under Subsection (4)(a)(i) in~~
131 ~~fiscal year 2008-09 only, a kindergarten student who is enrolled in less than a full-day~~
132 ~~kindergarten program is weighted as .55 of a student.]~~

133 ~~[(iii)]~~ (ii) Nothing in this Subsection (4)(a) affects the school bond guarantee program
134 established under Chapter 28, Utah School Bond Guaranty Act.

135 (b) The State Board of Education shall:

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

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

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

- 143 (i) unrestricted revenues available to the school district; or
- 144 (ii) the revenue sources listed in Subsections (1)(b)(i)(A) through (F) based on the
145 portion of the allocations to charter schools attributed to each of the revenue sources listed in
146 Subsections (1)(b)(i)(A) through (F).

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

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

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

154 (B) statewide average debt service revenues.

155 (iii) If the total of a school district's allocation for a charter school student under
156 Subsection (4)(a) and the amount provided by the state under Subsection (4)(d)(ii) is less than
157 \$1427, the state shall provide an additional supplement so that a charter school receives at least
158 \$1427 per student under this Subsection (4).

159 (iv) If the appropriation provided under this Subsection (4)(d) is less than the amount
160 prescribed by Subsection (4)(d)(ii) or (4)(d)(iii), the appropriation shall be allocated among
161 charter schools in proportion to each charter school's enrollment as a percentage of the total
162 enrollment in charter schools.

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

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

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

169 (7) (a) Notwithstanding Subsection (3), a charter school is not eligible to receive state
170 transportation funding.

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

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

175 (8) (a) (i) The state superintendent of public instruction may allocate grants for both
176 start-up and ongoing costs to eligible charter school applicants from monies appropriated for
177 the implementation of this part.

178 (ii) Applications for the grants shall be filed on a form determined by the state
179 superintendent and in conjunction with the application for a charter.

180 (iii) The amount of a grant may vary based upon the size, scope, and special

181 circumstances of the charter school.

182 (iv) The governing board of the charter school shall use the grant to meet the expenses
183 of the school as established in the school's charter.

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

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

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

194 Section 2. Section **53A-1a-703** is amended to read:

195 **53A-1a-703. Definitions.**

196 As used in this part:

197 (1) "Assessment team" means a team consisting of:

198 (a) the student's parent or guardian;

199 (b) the student's private school classroom teacher;

200 (c) special education personnel from the student's school district; and

201 (d) if available, special education personnel from the private school at which the
202 student is enrolled.

203 (2) "Board" means the State Board of Education.

204 (3) "Eligible private school" means a private school that meets the requirements of
205 Section 53A-1a-705.

206 (4) "IEP" means a written statement for a student with a disability that is developed,
207 reviewed, and revised in accordance with the Individuals with Disabilities Education Act, 20
208 U.S.C. Sec. 1400 et seq.

209 (5) "Scholarship student" means a student who receives a scholarship under this part.

210 (6) "Value of the weighted pupil unit" means the amount [~~specified in Section~~
211 ~~53A-17a-103~~] established each year in statute that is multiplied by the number of weighted

212 pupil units to yield the funding level for the basic state-supported school program.

213 Section 3. Section **53A-1a-903** is amended to read:

214 **53A-1a-903. Voluntary extended-day kindergarten program funding.**

215 (1) As used in this section, "Title I school" means a school receiving federal monies
216 under Title I of the No Child Left Behind Act of 2001, Pub. L. No. 107-110, for a schoolwide
217 or targeted assistance program.

218 (2) If funds are appropriated for this purpose, the State Board of Education shall
219 allocate funds to charter schools and school districts.

220 (3) For charter schools, the State Board of Education shall:

221 (a) determine the total allocation for charter schools by:

222 (i) dividing the number of charter school students eligible to receive free lunch by the
223 total number of students in the public education system eligible to receive free lunch in the
224 prior school year; and

225 (ii) multiplying the resulting percentage by the total amount of available funds; and

226 (b) allocate the resulting amount of funds to individual charter schools with the greatest
227 need for extended-day kindergarten, as determined by the State Board of Education in
228 consultation with the State Charter School Board.

229 (4) For school districts, the State Board of Education shall:

230 (a) determine the total allocation for school districts by subtracting the charter school
231 amount calculated under Subsection (3)(a) from the total amount of available funds; and

232 (b) allocate the resulting amount to applicant school districts by:

233 (i) allocating to each school district the amount calculated by:

234 (A) multiplying the value of the weighted pupil unit [~~under Subsection~~
235 ~~53A-17a-103(1)~~ established each year in statute by 0.45; and

236 (B) multiplying the result by 20; and

237 (ii) allocating any remaining funds after the allocation under Subsection (4)(b)(i) by:

238 (A) determining the number of students eligible to receive free lunch in the prior
239 school year for each school district; and

240 (B) prorating the remaining funds based on the number of students eligible to receive
241 free lunch in each district.

242 (5) The State Board of Education may modify the allocation of funds described under

243 this section to provide sufficient funding for each Title I school to participate in the voluntary
244 extended-day kindergarten program.

245 Section 4. Section **53A-2-118.3** is amended to read:

246 **53A-2-118.3. Imposition of the capital outlay levy in qualifying divided school**
247 **districts.**

248 (1) For purposes of this section:

249 (a) "Qualifying divided school district" means a divided school district:

250 (i) located within a county of the second through sixth class; and

251 (ii) with a new school district created under Section 53A-2-118.1 that begins to provide
252 educational services after July 1, 2008.

253 (b) "Qualifying taxable year" means the calendar year in which a new school district
254 begins to provide educational services.

255 (2) Beginning with the qualifying taxable year, in order to qualify for receipt of the
256 state contribution toward the minimum school program [~~described in Section 53A-17a-104~~], a
257 school district within a qualifying divided school district shall impose a capital outlay levy
258 described in Section 53A-16-107 of at least .0006 per dollar of taxable value.

259 (3) The county treasurer of a county with a qualifying divided school district shall
260 distribute revenues generated by the .0006 portion of the capital outlay levy required in
261 Subsection (2) to the school districts located within the boundaries of the qualifying divided
262 school district as follows:

263 (a) 25% of the revenues shall be distributed in proportion to a school district's
264 percentage of the total enrollment growth in all of the school districts within the qualifying
265 divided school district that have an increase in enrollment, calculated on the basis of the
266 average annual enrollment growth over the prior three years in all of the school districts within
267 the qualifying divided school district that have an increase in enrollment over the prior three
268 years, as of the October 1 enrollment counts; and

269 (b) 75% of the revenues shall be distributed in proportion to a school district's
270 percentage of the total current year enrollment in all of the school districts within the qualifying
271 divided school district, as of the October 1 enrollment counts.

272 (4) If a new school district is created or school district boundaries are adjusted, the
273 enrollment and average annual enrollment growth for each affected school district shall be

274 calculated on the basis of enrollment in school district schools located within that school
275 district's newly created or adjusted boundaries, as of October 1 enrollment counts.

276 (5) On or before December 31 of each year, the State Board of Education shall provide
277 a county treasurer with audited enrollment information from the fall enrollment audit necessary
278 to distribute revenues as required by this section.

279 (6) On or before March 31 of each year, a county treasurer in a county with a
280 qualifying divided school district shall distribute, in accordance with Subsection (3), the
281 revenue generated within the qualifying divided school district during the prior calendar year
282 from the capital outlay levy required in Subsection (2).

283 Section 5. Section **53A-16-107** is amended to read:

284 **53A-16-107. Capital outlay levy -- Maintenance of school facilities -- Authority to**
285 **use proceeds of .0002 tax rate -- Restrictions and procedure.**

286 (1) Subject to Subsection (3), a local school board may annually impose a capital
287 outlay levy not to exceed .0024 per dollar of taxable value to be used for:

- 288 (a) capital outlay;
- 289 (b) debt service; and
- 290 (c) subject to Subsection (2), school facility maintenance.

291 (2) (a) A local school board may utilize the proceeds of a maximum of .0002 per dollar
292 of taxable value of the local school board's annual capital outlay levy for the maintenance of
293 school facilities in the school district.

294 (b) A local school board that uses the option provided under Subsection (2)(a) shall:

295 (i) maintain the same level of expenditure for maintenance in the current year as it did
296 in the preceding year, plus the annual average percentage increase applied to the maintenance
297 and operation budget for the current year; and

298 (ii) identify the expenditure of capital outlay funds for maintenance by a district project
299 number to ensure that the funds are expended in the manner intended.

300 (c) The State Board of Education shall establish by rule the expenditure classification
301 for maintenance under this program using a standard classification system.

302 (3) Beginning January 1, 2009, in order to qualify for receipt of the state contribution
303 toward the minimum school program [~~described in Section 53A-17a-104~~], a local school board
304 in a county of the first class shall impose a capital outlay levy of at least .0006 per dollar of

305 taxable value.

306 (4) (a) The county treasurer of a county of the first class shall distribute revenues
307 generated by the .0006 portion of the capital outlay levy required in Subsection (3) to school
308 districts within the county in accordance with Section 53A-16-107.1.

309 (b) If a school district in a county of the first class imposes a capital outlay levy
310 pursuant to this section which exceeds .0006 per dollar of taxable value, the county treasurer of
311 a county of the first class shall distribute revenues generated by the portion of the capital outlay
312 levy which exceeds .0006 to the school district imposing the levy.

313 Section 6. Section **53A-17a-103** is amended to read:

314 **53A-17a-103. Definitions.**

315 As used in this chapter:

316 (1) "Basic state-supported school program" or "basic program" means public education
317 programs for kindergarten, elementary, and secondary school students that are operated and
318 maintained for the amount derived by multiplying the number of weighted pupil units for each
319 [district by \$2,577] school district or charter school by the value established each year in
320 statute, except as otherwise provided in this chapter.

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

323 (i) the amount of ad valorem property tax revenue to be generated statewide in the
324 previous year from imposing a minimum basic tax rate, as specified in Subsection
325 53A-17a-135(1)(a); and

326 (ii) the product of:

327 (A) new growth, as defined in:

328 (I) Section 59-2-924; and

329 (II) rules of the State Tax Commission; and

330 (B) the minimum basic tax rate certified by the State Tax Commission for the previous
331 year.

332 (b) For purposes of this Subsection (2), "ad valorem property tax revenue" does not
333 include property tax revenue received statewide from personal property that is:

334 (i) assessed by a county assessor in accordance with Title 59, Chapter 2, Part 3, County
335 Assessment; and

336 (ii) semiconductor manufacturing equipment.

337 (c) For purposes of calculating the certified revenue levy described in this Subsection
338 (2), the State Tax Commission shall use:

339 (i) the taxable value of real property assessed by a county assessor contained on the
340 assessment roll;

341 (ii) the taxable value of real and personal property assessed by the State Tax
342 Commission; and

343 (iii) the taxable year end value of personal property assessed by a county assessor
344 contained on the prior year's assessment roll.

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

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

348 (5) (a) "State-supported minimum school program" or [~~"minimum school program"~~]
349 "Minimum School Program" means public school programs for kindergarten, elementary, and
350 secondary schools as described in this Subsection (5).

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

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

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

359 [~~(d) The program includes the total of the following annual costs:]~~

360 [~~(i) the cost of a basic state-supported school program; and]~~

361 [~~(ii) other amounts appropriated in this chapter in addition to the basic program.]~~

362 (d) The Minimum School Program includes a program or allocation funded by a line
363 item appropriation or other appropriation designated as follows:

364 (i) Basic School Program;

365 (ii) Related to Basic Programs;

366 (iii) Voted and Board Leeway Programs; or

367 (iv) Minimum School Program.

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

371 Section 7. Section **53A-17a-105** is amended to read:

372 **53A-17a-105. Action required for underestimated or overestimated weighted**
373 **pupil units -- Action required for underestimating or overestimating local contributions.**

374 (1) If the number of weighted pupil units in a program is underestimated [~~in Section~~
375 ~~53A-17a-104~~], the amount per pupil in that program paid under this chapter must be reduced so
376 that the amount paid does not exceed the estimated amount by program.

377 (2) If the number of weighted pupil units in a program is overestimated [~~in Section~~
378 ~~53A-17a-104~~], the state superintendent of public instruction shall either increase the amount
379 paid in that program per weighted pupil unit or transfer the unused amount in that program to
380 another program included in the minimum school program.

381 (3) (a) If surplus funds are transferred to another program, the state superintendent, if
382 the state superintendent determines certain districts have greater need for additional funds, may
383 designate the districts as well as the programs to which the transferred funds will be allocated.

384 (b) Any amounts transferred under Subsection (3)(a) may be spent in addition to the
385 amounts [~~listed in Section 53A-17a-104~~] appropriated.

386 (4) The limitation on the proceeds from local tax rates for operation and maintenance
387 programs under this chapter is subject to modification by local school boards under Sections
388 53A-17a-133 and 53A-17a-134 and to special tax rates authorized by this chapter, and shall be
389 adjusted accordingly.

390 (5) If local contributions are overestimated, the guarantee per weighted pupil unit is
391 reduced for all programs so the total state contribution for operation and maintenance programs
392 does not exceed the amount [~~authorized in Subsection 53A-17a-104(1)~~] appropriated.

393 (6) (a) If local contributions from the basic tax rate for operation and maintenance
394 programs are underestimated, the excess is applied first to support the value of the weighted
395 pupil unit as set by the Legislature for total weighted pupil units generated by the districts and
396 those costs of Social Security and retirement, transportation, and board and voted leeway that
397 occur as a result of the additional generated weighted pupil units, following internal

398 adjustments by the state superintendent as provided in this section.

399 (b) The state contribution is decreased so the total school program cost for operation
400 and maintenance programs does not exceed the total estimated contributions to school districts
401 for all programs [~~under Subsection 53A-17a-104(2)~~] plus the amount of local revenue
402 necessary to support the value of the weighted pupil unit for weighted pupil units generated and
403 those costs of Social Security and retirement, transportation, and board and voted leeway that
404 occur as a result of the additional generated weighted pupil units.

405 (7) As an exception to Section 63J-1-601, the state fiscal officer may not close out
406 appropriations from the Uniform School Fund at the end of a fiscal year.

407 Section 8. Section **53A-17a-108** is amended to read:

408 **53A-17a-108. Weighted pupil units for small school district administrative costs**
409 **-- Appropriation for charter school administrative costs.**

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

412 Administrative Costs Schedule

413 School District Enrollment as of October 1	Weighted Pupil Units
414 1 - 500 students	95
415 501 - 1,000 students	80
416 1,001 - 2,000 students	70
417 2,001 - 5,000 students	60

418 (2) (a) [~~Money~~] Except as provided in Subsection (2)(b), money appropriated to the
419 State Board of Education for charter school administrative costs[~~, including an appropriation in~~
420 ~~Section 53A-17a-104,~~] shall be distributed to charter schools in the amount of \$100 for each
421 charter school student in enrollment.

422 (b) If money appropriated for charter school administrative costs are insufficient to
423 provide the amount per student prescribed in Subsection (2)(a), the appropriation shall be
424 allocated among charter schools in proportion to each charter school's enrollment as a
425 percentage of the total enrollment in charter schools.

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

429 (3) Charter schools are not eligible for funds for administrative costs under Subsection
430 (1).

431 Section 9. Section **53A-17a-111** is amended to read:

432 **53A-17a-111. Weighted pupil units for programs for students with disabilities --**
433 **District allocation.**

434 (1) The number of weighted pupil units for students with disabilities shall reflect the
435 direct cost of programs for those students conducted in accordance with rules established by the
436 State Board of Education in accordance with Title 63G, Chapter 3, Utah Administrative
437 Rulemaking Act.

438 (2) Disability program monies allocated to districts are restricted and shall be spent for
439 the education of students with disabilities but may include expenditures for approved programs
440 of services conducted for certified instructional personnel who have students with disabilities
441 in their classes.

442 (3) The State Board of Education shall establish and strictly interpret definitions and
443 provide standards for determining which students have disabilities and shall assist districts in
444 determining the services that should be provided to students with disabilities.

445 (4) Each year the board shall evaluate the standards and guidelines that establish the
446 identifying criteria for disability classifications to assure strict compliance with those standards
447 by the districts.

448 (5) (a) Monies appropriated to the State Board of Education [~~in Section 53A-17a-104~~]
449 for add-on WPU for students with disabilities enrolled in regular programs shall be allocated
450 to school districts as provided in this Subsection (5).

451 (b) Beginning on July 1, 2003, the State Board of Education shall:

452 (i) use a district's average number of special education add-on weighted pupil units
453 determined by the previous five year's average daily membership data as a foundation for the
454 special education add-on appropriation; and

455 (ii) implement a hold harmless provision for up to three years as needed to accomplish
456 a phase-in period for school districts to accommodate the change in the special education
457 add-on WPU foundation formula.

458 (c) A district's special education add-on WPU for the current year may not be less than
459 the foundation special education add-on WPU.

460 (d) Growth WPU's shall be added to the prior year special education add-on WPU's, and
461 growth WPU's shall be determined as follows:

462 (i) The special education student growth factor is calculated by comparing S-3 total
463 special education ADM of two years previous to the current year to the S-3 total special
464 education ADM three years previous to the current year, not to exceed the official October total
465 district growth factor from the prior year.

466 (ii) When calculating and applying the growth factor, a district's S-3 total special
467 education ADM for a given year is limited to 12.18% of the district's S-3 total student ADM
468 for the same year.

469 (iii) Growth ADMs are calculated by applying the growth factor to the S-3 total special
470 education ADM of two years previous to the current year.

471 (iv) Growth ADMs for each district are multiplied by 1.53 weighted pupil units and
472 added to the prior year special education add-on WPU to determine each district's total
473 allocation.

474 (6) If monies appropriated under this chapter for programs for students with disabilities
475 do not meet the costs of districts for those programs, each district shall first receive the amount
476 generated for each student with a disability under the basic program.

477 Section 10. Section **53A-17a-112** is amended to read:

478 **53A-17a-112. Preschool special education appropriation -- Extended year**
479 **program appropriation -- Appropriation for special education programs in state**
480 **institutions.**

481 (1) (a) Money appropriated to the State Board of Education for the preschool special
482 education program [~~in Section 53A-17a-104~~] shall be allocated to school districts to provide a
483 free, appropriate public education to preschool students with a disability, ages three through
484 five.

485 (b) The monies shall be distributed on the basis of a school district's previous year
486 December 1 disabled preschool child count as mandated by federal law.

487 (2) Monies appropriated for the extended school year program for the severely disabled
488 [~~in Section 53A-17a-104~~] shall be limited to students with severe disabilities with education
489 program goals identifying significant regression and recoupment disability as approved by the
490 State Board of Education.

491 (3) (a) Monies appropriated [~~in Section 53A-17a-104~~] for self-contained regular special
492 education programs may not be used to supplement other school programs.

493 (b) Monies in any of the other restricted line item appropriations may not be reduced
494 more than 2% to be used for purposes other than those specified by the appropriation, unless
495 otherwise provided by law.

496 (4) (a) The State Board of Education shall compute preschool funding by a factor of
497 1.47 times the current December 1 child count of eligible preschool aged three, four, and
498 five-year-olds times the WPU value, limited to 8% growth over the prior year December 1
499 count.

500 (b) The board shall develop guidelines to implement the funding formula for preschool
501 special education, and establish prevalence limits for distribution of the monies.

502 Section 11. Section **53A-17a-113** is amended to read:

503 **53A-17a-113. Weighted pupil units for career and technical education programs**
504 **-- Funding of approved programs -- Performance measures -- Qualifying criteria.**

505 (1) (a) Money appropriated to the State Board of Education [~~in Section 53A-17a-104~~]
506 for approved career and technical education programs and the comprehensive guidance
507 program:

508 (i) shall be allocated to eligible recipients as provided in Subsections (2), (3), (4), and
509 (5); and

510 (ii) may not be used to fund programs below the ninth grade level.

511 (b) Subsection (1)(a)(ii) does not apply to the following programs:

512 (i) comprehensive guidance;

513 (ii) Technology-Life-Careers; and

514 (iii) work-based learning programs.

515 (2) (a) Weighted pupil units are computed for pupils in approved programs.

516 (b) (i) The board shall fund approved programs based upon hours of membership of
517 9th through 12th grade students.

518 (ii) Subsection (2)(b)(i) does not apply to the following programs:

519 (A) comprehensive guidance;

520 (B) Technology-Life-Careers; and

521 (C) work-based learning programs.

522 (c) The board shall use an amount not to exceed 20% of the total appropriation under
523 this section to fund approved programs based on performance measures such as placement and
524 competency attainment defined in standards set by the board.

525 (d) Leadership organization funds shall constitute an amount not to exceed 1% of the
526 total appropriation under this section, and shall be distributed to each local educational agency
527 sponsoring career and technical education student leadership organizations based on the
528 agency's share of the state's total membership in those organizations.

529 (e) The board shall make the necessary calculations for distribution of the
530 appropriation to school districts and may revise and recommend changes necessary for
531 achieving equity and ease of administration.

532 (3) (a) Twenty weighted pupil units shall be computed for career and technical
533 education administrative costs for each district, except 25 weighted pupil units may be
534 computed for each district that consolidates career and technical education administrative
535 services with one or more other districts.

536 (b) Between 10 and 25 weighted pupil units shall be computed for each high school
537 conducting approved career and technical education programs in a district according to
538 standards established by the board.

539 (c) Forty weighted pupil units shall be computed for each district that operates an
540 approved career and technical education center.

541 (d) Between five and seven weighted pupil units shall be computed for each summer
542 career and technical education agriculture program according to standards established by the
543 board.

544 (e) The board shall, by rule, establish qualifying criteria for districts to receive
545 weighted pupil units under this Subsection (3).

546 (4) (a) Monies remaining after the allocations made under Subsections (2) and (3) shall
547 be allocated using average daily membership in approved programs for the previous year.

548 (b) A district that has experienced student growth in grades 9 through 12 for the
549 previous year shall have the growth factor applied to the previous year's weighted pupil units
550 when calculating the allocation of monies under this Subsection (4).

551 (5) Of the monies allocated to comprehensive guidance programs pursuant to board
552 rules, \$1,000,000 in grants shall be awarded to school districts or charter schools that:

- 553 (a) provide an equal amount of matching funds; and
554 (b) do not supplant other funds used for comprehensive guidance programs.
555 (6) (a) The board shall establish rules for the upgrading of high school career and
556 technical education programs.
557 (b) The rules shall reflect career and technical training and actual marketable job skills
558 in society.
559 (c) The rules shall include procedures to assist school districts to convert existing
560 programs which are not preparing students for the job market into programs that will
561 accomplish that purpose.
562 (7) Programs that do not meet board standards may not be funded under this section.

563 Section 12. Section **53A-17a-116** is amended to read:

564 **53A-17a-116. Weighted pupil units for career and technical education set-aside**
565 **programs.**

566 (1) Each district shall receive a guaranteed minimum allocation from the monies
567 appropriated to the State Board of Education [~~in Section 53A-17a-104~~] for a career and
568 technical education set-aside program.

569 (2) The set-aside funds remaining after the initial minimum payment allocation are
570 distributed by an RFP process to help pay for equipment costs necessary to initiate new
571 programs and for high priority programs as determined by labor market information.

572 Section 13. Section **53A-17a-119** is amended to read:

573 **53A-17a-119. Appropriation for adult education programs.**

574 (1) Money appropriated to the State Board of Education [~~in Section 53A-17a-104~~] for
575 adult education shall be allocated to local school boards for adult high school completion and
576 adult basic skills programs.

577 (2) Each district shall receive its pro rata share of the appropriation for adult high
578 school completion programs based on the number of people listed in the latest official census
579 who are over 18 years of age and who do not have a high school diploma and prior year
580 participation or as approved by board rule.

581 (3) On February 1 of each school year, the State Board of Education shall recapture
582 monies not used for an adult high school completion program for reallocation to districts that
583 have implemented programs based on need and effort as determined by the board.

584 (4) To the extent of monies available, school districts shall provide programs to adults
585 who do not have a diploma and who intend to graduate from high school, with particular
586 emphasis on homeless individuals who are seeking literacy and life skills.

587 (5) Overruns in adult education in any district may not reduce the value of the weighted
588 pupil unit for this program in another district.

589 (6) School districts shall spend money on adult basic skills programs according to
590 standards established by the board.

591 Section 14. Section **53A-17a-120** is amended to read:

592 **53A-17a-120. Appropriation for accelerated learning programs.**

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

- 596 (a) programs in grades 1-12 for the gifted and talented;
- 597 (b) advanced placement; and
- 598 (c) International Baccalaureate.

599 (2) (a) Districts shall spend monies for these programs according to rules established
600 by the State Board of Education in accordance with Title 63G, Chapter 3, Utah Administrative
601 Rulemaking Act.

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

604 Section 15. Section **53A-17a-120.5** is amended to read:

605 **53A-17a-120.5. Appropriation for concurrent enrollment.**

606 (1) Money appropriated to the State Board of Education [~~in Section 53A-17a-104~~] for
607 concurrent enrollment shall be allocated as follows:

608 (a) the monies shall first be allocated proportionally, based upon student credit hour
609 delivered, between courses that are:

- 610 (i) taught by public school educators; and
- 611 (ii) taught by college or university faculty;

612 (b) from the monies allocated under Subsection (1)(a)(i):

- 613 (i) 60% of the monies shall be allocated to local school boards and charter schools; and
- 614 (ii) 40% of the monies shall be allocated to the State Board of Regents; and

- 615 (c) from the monies allocated under Subsection (1)(a)(ii):
- 616 (i) 40% of the monies shall be allocated to local school boards and charter schools; and
- 617 (ii) 60% of the monies shall be allocated to the State Board of Regents.

618 (2) The State Board of Education shall make rules providing that a school participating
619 in the concurrent enrollment programs offered under Section 53A-15-101 shall receive an
620 allocation from the monies described in Subsection (1) as provided in Section 53A-15-101.

621 (3) The State Board of Regents shall make rules providing that an institution of higher
622 education participating in the concurrent enrollment programs offered under [~~Sections~~] Section
623 53A-15-101 [~~and 53B-8-112~~] shall receive an allocation from the monies described in
624 Subsection (1) as provided in the rules.

625 (4) Subject to budget constraints, the Legislature shall annually increase the money
626 appropriated to the State Board of Education [~~in Section 53A-17a-104~~] for concurrent
627 enrollment based on:

- 628 (a) enrollment growth in concurrent enrollment from additional students enrolled,
629 courses offered, and credit hours taken; and
- 630 (b) the percentage increase in the value of the weighted pupil unit.

631 (5) (a) The State Board of Education and the State Board of Regents shall annually
632 report to the Public Education Appropriations Subcommittee:

- 633 (i) an accounting of the money appropriated for concurrent enrollment; and
- 634 (ii) a justification of the split described in Subsections (1)(a) and (b).

635 (b) The State Board of Regents shall annually report to the Higher Education
636 Appropriations Subcommittee on concurrent enrollment participation and growth, including
637 data on what higher education tuition would have been charged for the hours of concurrent
638 enrollment credit granted.

639 (6) In order to qualify for funds under this section, a concurrent enrollment program
640 shall comply with the requirements described in Section 53A-15-101, including rules adopted
641 in accordance with Subsection 53A-15-101(3).

642 Section 16. Section **53A-17a-121** is amended to read:

643 **53A-17a-121. Appropriation for at-risk programs.**

644 (1) Money appropriated to the State Board of Education [~~in Section 53A-17a-104~~] for
645 at-risk programs shall be allocated to local school boards for the following programs:

- 646 (a) youth in custody;
- 647 (b) homeless and disadvantaged minority students;
- 648 (c) mathematics, engineering, and science achievement programs;
- 649 (d) gang prevention and intervention; and
- 650 (e) at-risk flow through.
- 651 (2) Districts shall spend monies for these programs according to rules established by
- 652 the State Board of Education in accordance with Title 63G, Chapter 3, Utah Administrative
- 653 Rulemaking Act.
- 654 (3) (a) From the amount appropriated for youth at risk programs, the board shall
- 655 allocate moneys to school districts for homeless and disadvantaged minority students.
- 656 (b) Each district shall receive its allocation on the basis of:
- 657 (i) the total number of homeless students in the district;
- 658 (ii) added to 50% of the number of disadvantaged minority students in the district;
- 659 (iii) multiplying the total of Subsections (3)(b)(i) and (ii) by the value of the weighted
- 660 pupil unit; and
- 661 (iv) prorating the amount under Subsection (3)(b)(iii) to the amount in Subsection
- 662 (3)(a).
- 663 (4) (a) From the amount appropriated for at-risk programs, the board shall allocate
- 664 monies for mathematics, engineering, and science achievement programs, MESA programs, in
- 665 the districts.
- 666 (b) The board shall make the distribution to school districts on a competitive basis by
- 667 application under guidelines established by the board.
- 668 (5) (a) From the amount appropriated for at-risk programs, the board shall distribute
- 669 moneys for gang prevention and intervention programs at the district or school level.
- 670 (b) The board shall make the distribution to school districts under guidelines
- 671 established by the board consistent with Section 53A-15-601.
- 672 (6) (a) From the amount appropriated for at-risk programs, the board shall distribute
- 673 moneys for programs for youth in custody.
- 674 (b) The board shall allocate these moneys to school districts which operate programs
- 675 for youth in custody in accordance with standards established by the board.
- 676 (7) From the amount appropriated for at-risk programs, the board shall allocate monies

677 based on:

678 (a) a formula which takes into account prior year WPU's per district and a district's low
679 income population; and

680 (b) a minimum base of no less than \$18,600 for small school districts.

681 Section 17. Section **53A-17a-123** is amended to read:

682 **53A-17a-123. Local Discretionary Block Grant Program -- State contribution.**

683 (1) The State Board of Education shall distribute money appropriated for the Local
684 Discretionary Block Grant Program [~~in Section 53A-17a-104~~] to school districts and charter
685 schools according to a formula adopted by the board, after consultation with school districts
686 and charter schools, that allocates the funding in a fair and equitable manner.

687 (2) Schools districts and charter schools shall use Local Discretionary Block Grant
688 monies for:

689 (a) maintenance and operation costs;

690 (b) capital outlay; or

691 (c) debt service.

692 Section 18. Section **53A-17a-123.5** is amended to read:

693 **53A-17a-123.5. Interventions for Student Success Block Grant Program -- State**
694 **contribution.**

695 (1) The State Board of Education shall distribute money appropriated for the
696 Interventions for Student Success Block Grant Program [~~in Section 53A-17a-104~~] to school
697 districts and charter schools according to a formula adopted by the board, after consultation
698 with school districts and charter schools, that allocates the funding in a fair and equitable
699 manner.

700 (2) Schools districts and charter schools shall use Interventions for Student Success
701 Block Grant monies to improve student academic success, with priority given to interventions
702 on behalf of students not performing to standards as determined by U-PASS test results.

703 (3) (a) Each school district shall develop a plan for the expenditure of Interventions for
704 Student Success Block Grant monies.

705 (b) The plan:

706 (i) shall specify anticipated results; and

707 (ii) may include continuing existing programs to improve students' academic success

708 for which funds were appropriated before the establishment of the block grant.

709 (c) The local school board shall approve the plan for the expenditure of the block grant
710 monies in an open public meeting before the monies are spent.

711 Section 19. Section **53A-17a-124** is amended to read:

712 **53A-17a-124. Quality Teaching Block Grant Program -- State contributions.**

713 (1) The State Board of Education shall distribute money appropriated for the Quality
714 Teaching Block Grant Program [~~in Section 53A-17a-104~~] to school districts and charter
715 schools according to a formula adopted by the board, after consultation with school districts
716 and charter schools, that allocates the funding in a fair and equitable manner.

717 (2) (a) Schools districts and charter schools shall use Quality Teaching Block Grant
718 monies to implement school and school district comprehensive, long-term professional
719 development plans required by Section 53A-3-701.

720 (b) In recognition of exceptional quality teaching, Quality Teaching Block Grant
721 monies may be used for the award of individual Quality Teaching Bonuses for Exemplary
722 Teachers to recognize and reward excellence in classrooms as determined by school principals
723 in partnership with their school community councils.

724 (3) Each local school board shall:

725 (a) as provided by Section 53A-3-701, review and either approve or recommend
726 modifications for each school's comprehensive, long-term professional development plan
727 within the district so that each school's plan is compatible with the district's comprehensive,
728 long-term professional development plan; and

729 (b) in an open public meeting, approve a plan to spend Quality Teaching Block Grant
730 monies to implement the school district's comprehensive, long-term professional development
731 plan.

732 Section 20. Section **53A-17a-124.5** is amended to read:

733 **53A-17a-124.5. Appropriation for class size reduction.**

734 (1) Money appropriated to the State Board of Education [~~in Section 53A-17a-104~~] for
735 class size reduction shall be used to reduce the average class size in kindergarten through the
736 eighth grade in the state's public schools.

737 (2) Each district shall receive its allocation based upon prior year average daily
738 membership in kindergarten through grade eight plus growth as determined under Subsection

739 53A-17a-106(3) as compared to the state total.

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

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

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

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

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

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

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

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

762 Section 21. Section **53A-17a-125** is amended to read:

763 **53A-17a-125. Appropriation for retirement and Social Security.**

764 (1) The employee's retirement contribution shall be 1% for employees who are under
765 the state's contributory retirement program.

766 (2) The employer's contribution under the state's contributory retirement program is
767 determined under Section 49-12-301, subject to the 1% contribution under Subsection (1).

768 (3) (a) The employer-employee contribution rate for employees who are under the
769 state's noncontributory retirement program is determined under Section 49-13-301.

770 (b) The same contribution rate used under Subsection (3)(a) shall be used to calculate
771 the appropriation for charter schools described under Subsection (5).

772 (4) (a) Money appropriated to the State Board of Education [~~in Section 53A-17a-104~~]
773 for retirement and Social Security monies shall be allocated to school districts and charter
774 schools based on a district's or charter school's total weighted pupil units compared to the total
775 weighted pupil units for all districts in the state.

776 (b) Subject to budget constraints, monies needed to support retirement and Social
777 Security shall be determined by taking the district's prior year allocation and adjusting it for:

- 778 (i) student growth;
- 779 (ii) the percentage increase in the value of the weighted pupil unit; and
- 780 (iii) the effect of any change in the rates for retirement, Social Security, or both.

781 (5) A charter school that has made an election of nonparticipation in the Utah State
782 Retirement Systems in accordance with Section 53A-1a-512 and Title 49, Utah State
783 Retirement and Insurance Benefit Act, shall use the funds described under this section for
784 retirement to provide its own compensation, benefit, and retirement programs.

785 Section 22. Section **53A-17a-126** is amended to read:

786 **53A-17a-126. State support of pupil transportation.**

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

790 (2) (a) The Utah Schools for the Deaf and the Blind shall use [~~money appropriated in~~
791 ~~Section 53A-17a-104~~] its allocation of pupil transportation monies to pay for transportation of
792 their students based on current valid contractual arrangements and best transportation options
793 and methods as determined by the schools.

794 (b) All student transportation costs of the schools shall be paid from the allocation of
795 pupil transportation monies [~~received under Section 53A-17a-104~~] specified in statute.

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

798 (b) The state shall contribute 85% of approved transportation costs, subject to budget
799 constraints.

800 (c) If in a fiscal year the total transportation allowance for all districts exceeds the

801 amount appropriated for that purpose, all allowances shall be reduced pro rata to equal not
802 more than the amount appropriated.

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

807 Section 23. Section **53A-17a-131.15** is amended to read:

808 **53A-17a-131.15. State contribution for the Electronic High School.**

809 Money appropriated to the State Board of Education [~~in Section 53A-17a-104~~] for the
810 Electronic High School shall be distributed to the school according to rules established by the
811 board in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

812 Section 24. Section **53A-17a-131.17** is amended to read:

813 **53A-17a-131.17. State contribution for School LAND Trust Program.**

814 (1) If the amount of money prescribed for funding the School LAND Trust Program in
815 Section 53A-16-101.5 is less than or greater than the money appropriated [~~in Section~~
816 ~~53A-17a-104~~] for the School LAND Trust Program, the appropriation shall be equal to the
817 amount of money prescribed for funding the School LAND Trust Program in Section
818 53A-16-101.5, up to a maximum of an amount equal to 2% of the funds provided for the
819 Minimum School Program[, pursuant to Title 53A, Chapter 17a, Minimum School Program
820 Act].

821 (2) The State Board of Education shall distribute the money appropriated in Subsection
822 (1) in accordance with Section 53A-16-101.5 and rules established by the board in accordance
823 with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

824 Section 25. Section **53A-17a-135** is amended to read:

825 **53A-17a-135. Minimum basic tax rate -- Certified revenue levy.**

826 (1) (a) In order to qualify for receipt of the state contribution toward the basic program
827 and as its contribution toward its costs of the basic program, each school district shall impose a
828 minimum basic tax rate per dollar of taxable value that generates \$273,950,764 in revenues
829 statewide.

830 (b) The preliminary estimate for the [~~2009-10~~] 2010-11 minimum basic tax rate is
831 [~~.001303~~] .001513.

832 (c) The State Tax Commission shall certify on or before June 22 the rate that generates
833 \$273,950,764 in revenues statewide.

834 (d) If the minimum basic tax rate exceeds the certified revenue levy as defined in
835 Section 53A-17a-103, the state is subject to the notice requirements of Section 59-2-926.

836 (2) (a) The state shall contribute to each district toward the cost of the basic program in
837 the district that portion which exceeds the proceeds of the levy authorized under Subsection
838 (1).

839 (b) In accord with the state strategic plan for public education and to fulfill its
840 responsibility for the development and implementation of that plan, the Legislature instructs
841 the State Board of Education, the governor, and the Office of Legislative Fiscal Analyst in each
842 of the coming five years to develop budgets that will fully fund student enrollment growth.

843 (3) (a) If the proceeds of the levy authorized under Subsection (1) equal or exceed the
844 cost of the basic program in a school district, no state contribution shall be made to the basic
845 program.

846 (b) The proceeds of the levy authorized under Subsection (1) which exceed the cost of
847 the basic program shall be paid into the Uniform School Fund as provided by law.

848 Section 26. Section **53A-17a-146** is amended to read:

849 **53A-17a-146. Reduction of district allocation based on insufficient revenues.**

850 (1) (a) As used in this section, "Minimum School Program funds" means the total of
851 state and local funds appropriated [~~under Section 53A-17a-104~~] for the Minimum School
852 Program, excluding:

- 853 (i) the state-supported voter leeway;
- 854 (ii) the state-supported board leeway; and
- 855 (iii) the appropriation to charter schools to replace local property tax revenues.

856 (b) The State Board of Education, after consultation with each school district and
857 charter school, shall allocate the ongoing locally determined reduction [~~provided in Section~~
858 ~~53A-17a-104~~] for fiscal year 2008-09 among school districts and charter schools in proportion
859 to each school district's or charter school's percentage share of Minimum School Program
860 funds.

861 (2) Each district and charter school shall determine which programs are affected by,
862 and the amount of, the reductions, except as provided in Subsection (4).

863 (3) The requirement to spend a specified amount in any particular program is waived if
864 reductions are required under this section, except as provided in Subsection (4).

865 (4) A school district or charter school may not reduce or reallocate spending of funds
866 distributed to the school district or charter school for the following programs:

- 867 (a) educator salary adjustments provided in Section 53A-17a-153;
- 868 (b) the Teacher Salary Supplement Program provided in Section 53A-17a-156;
- 869 (c) the extended year for special educators provided in Section 53A-17a-158; and
- 870 (d) USTAR centers provided in Section 53A-17a-159.

871 Section 27. Section **53A-17a-153** is amended to read:

872 **53A-17a-153. Educator salary adjustments.**

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

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

877 (b) a position as a:

- 878 (i) classroom teacher;
- 879 (ii) speech pathologist;
- 880 (iii) librarian or media specialist;
- 881 (iv) preschool teacher;
- 882 (v) mentor teacher;
- 883 (vi) teacher specialist or teacher leader;
- 884 (vii) guidance counselor;
- 885 (viii) audiologist;
- 886 (ix) psychologist; or
- 887 (x) social worker.

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

891 (3) Money appropriated to the State Board of Education for educator salary
892 adjustments shall be distributed to school districts, charter schools, and the Utah Schools for
893 the Deaf and the Blind in proportion to the number of full-time-equivalent educator positions

894 in a school district, a charter school, or the Utah Schools for the Deaf and the Blind as
895 compared to the total number of full-time-equivalent educator positions in school districts,
896 charter schools, and the Utah Schools for the Deaf and the Blind.

897 (4) School districts, charter schools, and the Utah Schools for the Deaf and the Blind
898 shall award bonuses to educators as follows:

899 (a) the amount of the salary adjustment shall be the same for each full-time-equivalent
900 educator position in the school district, charter school, or the Utah Schools for the Deaf and the
901 Blind;

902 (b) a person who is not a full-time educator shall receive a partial salary adjustment
903 based on the number of hours the person works as an educator; and

904 (c) salary adjustments may be awarded only to educators who have received a
905 satisfactory rating or above on their most recent evaluation.

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

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

913 (6) The State Board of Education may make rules as necessary to administer this
914 section, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

915 (7) (a) Subject to future budget constraints, the Legislature shall appropriate sufficient
916 monies each year to:

917 (i) maintain educator salary adjustments provided in prior years; and

918 (ii) provide educator salary adjustments to new employees.

919 (b) Money appropriated for educator salary adjustments shall include money for the
920 following employer-paid benefits:

921 (i) retirement;

922 (ii) worker's compensation;

923 (iii) Social Security; and

924 (iv) Medicare.

925 (8) (a) Subject to future budget constraints, the Legislature shall:
926 (i) maintain the salary adjustments provided to school administrators in the 2007-08
927 school year; and

928 (ii) provide salary adjustments for new school administrators in the same amount as
929 provided for existing school administrators.

930 (b) The appropriation provided for educator salary adjustments [~~in Section~~
931 ~~53A-17a-104~~] shall include salary adjustments for school administrators as specified in
932 Subsection (8)(a).

933 (c) In distributing and awarding salary adjustments for school administrators, the State
934 Board of Education, school districts, charter schools, and the Utah Schools for the Deaf and the
935 Blind shall comply with the requirements for the distribution and award of educator salary
936 adjustments as provided in Subsections (3) and (4).

937 Section 28. Section **53A-17a-154** is amended to read:

938 **53A-17a-154. Appropriation for school nurses.**

939 The State Board of Education shall distribute monies appropriated [~~in Section~~
940 ~~53A-17a-104~~] for school nurses to award grants to school districts and charter schools that:

- 941 (1) provide an equal amount of matching funds; and
- 942 (2) do not supplant other monies used for school nurses.

943 Section 29. Section **53A-17a-155** is amended to read:

944 **53A-17a-155. Appropriation for library books and electronic resources.**

945 (1) The State Board of Education shall distribute monies appropriated [~~in Section~~
946 ~~53A-17a-104~~] for library books and electronic resources as follows:

- 947 (a) 25% shall be divided equally among all public schools; and
- 948 (b) 75% shall be divided among public schools based on each school's average daily
949 membership as compared to the total average daily membership.

950 (2) A school district or charter school may not use monies distributed under Subsection
951 (1) to supplant other monies used to purchase library books or electronic resources.

952 Section 30. Section **63J-1-206** is amended to read:

953 **63J-1-206. Appropriations governed by chapter -- Restrictions on expenditures --**
954 **Transfer of funds -- Exclusion.**

955 (1) As used in this section, "work program" means a budget that contains revenues and

956 expenditures for specific purposes or functions within an item of appropriation.

957 (2) (a) Except as provided in Subsection (2)(b), (3)(e), or where expressly exempted in
958 the appropriating act:

959 (i) all monies appropriated by the Legislature are appropriated upon the terms and
960 conditions set forth in this chapter; and

961 (ii) any department, agency, or institution that accepts monies appropriated by the
962 Legislature does so subject to the requirements of this chapter.

963 (b) This section does not apply to:

964 (i) the Legislature and its committees; and

965 (ii) the Investigation Account of the Water Resources Construction Fund, which is
966 governed by Section 73-10-8.

967 (3) (a) Each appropriation item is to be expended subject to any schedule of programs
968 and any restriction attached to the appropriation item, as designated by the Legislature.

969 (b) Each schedule of programs or restriction attached to an appropriation item:

970 (i) is a restriction or limitation upon the expenditure of the respective appropriation
971 made;

972 (ii) does not itself appropriate any money; and

973 (iii) is not itself an item of appropriation.

974 (c) An appropriation or any surplus of any appropriation may not be diverted from any
975 department, agency, institution, or division to any other department, agency, institution, or
976 division.

977 (d) The money appropriated subject to a schedule or programs or restriction may be
978 used only for the purposes authorized.

979 (e) In order for a department, agency, or institution to transfer monies appropriated to it
980 from one program to another program within an item of appropriation, the following procedure
981 shall be followed:

982 (i) The department, agency, or institution seeking to make the transfer shall prepare:

983 (A) a new work program for the fiscal year involved that consists of the currently
984 approved work program and the transfer sought to be made; and

985 (B) a written justification for the new work program that sets forth the purpose and
986 necessity for the transfer.

987 (ii) The Division of Finance shall process the new work program with written
988 justification and make this information available to the Governor's Office of Planning and
989 Budget and the legislative fiscal analyst.

990 (f) ~~[Monies]~~ (i) Except as provided in Subsection (3)(f)(ii), monies may not be
991 transferred from one item of appropriation to any other item of appropriation.

992 (ii) The state superintendent may transfer monies appropriated for the Minimum
993 School Program between line items of appropriation in accordance with Section 53A-17a-105.

994 (g) (i) The procedures for transferring monies between programs within an item of
995 appropriation as provided by Subsection (3)(e) do not apply to monies appropriated to the State
996 Board of Education for the Minimum School Program or capital outlay programs created in
997 Title 53A, Chapter 21, Public Education Capital Outlay Act.

998 (ii) The state superintendent may transfer monies appropriated for the programs
999 specified in Subsection (3)(g)(i) only as provided by Section 53A-17a-105.

1000 Section 31. **Repealer.**

1001 This bill repeals:

1002 Section **53A-17a-104, Amount of state's contribution toward minimum school**
1003 **program.**

1004 Section **53A-21-501, State contribution to capital outlay programs.**

1005 Section 32. **Appropriations for Minimum School Program and school building aid**
1006 **programs - Value of weighted pupil unit.**

1007 (1) The following sums of money are appropriated from the funds or fund accounts
1008 indicated for distribution to school districts and charter schools for the fiscal year beginning
1009 July 1, 2010 and ending June 30, 2011.

1010 (2) The value of the weighted pupil unit (WPU) for fiscal year 2011 is \$2,487.

1011 ITEM 1 BASIC SCHOOL PROGRAM

1012 To Basic School Program

1013 From Uniform School Fund \$1,579,112,936

1014 From Local Revenue \$273,950,764

1015 Schedule of Programs:

1016 Kindergarten (26,503 WPUs) \$65,912,961

1017 Grades 1 - 12 (510,441 WPUs) \$1,269,466,767

1st Sub. (Buff) H.B. 1**02-02-10 2:58 PM**

1018	Necessarily Existent Small Schools (7,649 WPUs)	\$19,023,063
1019	Professional Staff (46,698 WPUs)	\$116,137,926
1020	Administrative Costs (1,550 WPUs)	\$3,854,850
1021	Special Education - Add-on (63,903 WPUs)	\$158,926,761
1022	Special Education - Pre-school (8,955 WPUs)	\$22,271,085
1023	Special Education - Self-contained (14,137 WPUs)	\$35,158,719
1024	Special Education - Extended Year (393 WPUs)	\$977,391
1025	Special Education - State Programs (1,776 WPUs)	\$4,416,912
1026	Career & Technical Ed District Add-on (27,259 WPUs)	\$67,793,133
1027	Class Size Reduction (35,836 WPUs)	\$89,124,132
1028	The Legislature intends that the State Board of	
1029	Education allocate \$1,150,600 from the appropriation	
1030	to the Career & Technical Education District Add-on	
1031	program to support summer Career & Technical	
1032	Education agriculture programs.	
1033	ITEM 2 RELATED TO BASIC PROGRAMS	
1034	To Related to Basic Programs	
1035	From Uniform School Fund	\$374,194,403
1036	From Uniform School Fund Restricted - Interest and Dividends Account	\$20,000,000
1037	Schedule of Programs:	
1038	Social Security and Retirement	\$13,139,631
1039	To and From School - Pupil Transportation	\$64,333,965
1040	Guarantee Transportation Levy	\$490,000
1041	Intervention for Student Success Block Grant	\$14,700,000
1042	Highly Impacted Schools	\$4,518,707
1043	Youth At-Risk	\$27,704,741
1044	Adult Education	\$9,080,846
1045	Accelerated Learning	\$3,494,781
1046	Concurrent Enrollment	\$8,531,186
1047	High-Ability Student Initiative	\$485,100
1048	English Language Learner Family Literacy Centers	\$1,764,000

1049	Electronic High School	\$1,960,000
1050	School LAND Trust Program	\$20,000,000
1051	Charter School Local Replacement	\$44,382,646
1052	Charter School Administration	\$3,603,500
1053	K-3 Reading Improvement	\$14,700,000
1054	Public Education Job Enhancement	\$2,143,300
1055	Educator Salary Adjustments	\$145,295,000
1056	USFR Teacher Salary Supplement Restricted Account	\$3,626,000
1057	Library Books & Electronic Resources	\$490,000
1058	Matching Fund for School Nurses	\$882,000
1059	Critical Languages & Dual Immersion	\$225,400
1060	Extended Year for Special Educators	\$2,557,800
1061	USTAR Centers (Year-Round Math & Science)	\$6,085,800
1062	The Legislature intends that the State Board	
1063	of Education allocate \$2,532,700 from the appropriation	
1064	for To and From School - Pupil Transportation to	
1065	support transportation costs at the Utah	
1066	Schools for the Deaf and the Blind.	
1067	ITEM 3 VOTED AND BOARD LEEWAY PROGRAMS	
1068	To Voted and Board Leeway Programs	
1069	From Uniform School Fund	\$37,240,184
1070	From Local Revenue	\$310,463,914
1071	Schedule of Programs:	
1072	Voted Leeway	\$265,569,683
1073	Board Leeway	\$67,134,415
1074	Board Leeway - Reading Improvement	\$15,000,000
1075	ITEM 4 SCHOOL BUILDING PROGRAMS	
1076	To School Building Programs	
1077	From Uniform School Fund	\$22,049,700
1078	Schedule of Programs:	
1079	Capital Outlay Foundation Program	\$19,177,400

1st Sub. (Buff) H.B. 1

02-02-10 2:58 PM

1080	Capital Outlay Enrollment Growth Program	\$2,872,300
1081	Section 33. Effective date.	
1082	<u>This bill takes effect on July 1, 2010.</u>	