

CHARTER SCHOOL FUNDING AMENDMENTS

2011 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Merlynn T. Newbold

Senate Sponsor: _____

LONG TITLE

General Description:

This bill modifies funding provided to a charter school to replace local discretionary property taxes that are not available to charter schools.

Highlighted Provisions:

This bill:

► modifies funding provided to a charter school to replace local property taxes that are not available to charter schools by, over a period of 13 years:

• increasing the portion of school district revenues that a school district allocates for a resident student enrolled in a charter school; and

• decreasing state revenues allocated to a charter school;

► provides an allocation of state funds for a charter school student in the amount of school districts' average per pupil revenues from the voted and board leeway guarantee programs, Capital Outlay Foundation Program, and Capital Outlay Enrollment Growth Program;

► requires the state superintendent of public instruction to annually report on the number of a school district's resident students enrolled in charter schools and the school district's contribution of local property taxes per charter school student;

► eliminates a requirement that a charter school spend at least 10% of money received to replace local property tax revenue for capital facilities; and

► makes technical amendments.

Money Appropriated in this Bill:

None

Other Special Clauses:



28 This bill takes effect on July 1, 2011.

29 **Utah Code Sections Affected:**

30 **AMENDS:**

30a **Ĥ→ 53A-1-301, as last amended by Laws of Utah 2010, Chapters 139 and 206 ←Ĥ**

31 **53A-1a-513, as last amended by Laws of Utah 2010, Chapters 3 and 399**



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

33a **Ĥ→ Section 1. Section 53A-1-301 is amended to read:**

33b **53A-1-301. Appointment -- Qualifications -- Duties.**

33c (1) (a) **The State Board of Education shall appoint a superintendent of public instruction,**
33d **hereinafter called the state superintendent, who is the executive officer of the board and serves at the**
33e **pleasure of the board.**

33f (b) **The board shall appoint the state superintendent on the basis of outstanding professional**
33g **qualifications.**

33h (c) **The state superintendent shall administer all programs assigned to the State Board of**
33i **Education in accordance with the policies and the standards established by the board.**

33j (2) **The superintendent shall develop a statewide education strategy focusing on core**
33k **academics, including the development of:**

33l (a) **core curriculum and graduation requirements;**

33m (b) **a process to select instructional materials that best correlate to the core curriculum and**
33n **graduation requirements that are supported by generally accepted scientific standards of evidence;**

33o (c) **professional development programs for teachers, superintendents, and principals;**

33p (d) **remediation programs;**

33q (e) **a method for creating individual student learning targets, and a method of measuring an**
33r **individual student's performance toward those targets;**

33s (f) **progress-based assessments for ongoing performance evaluations of districts and schools;**

33t (g) **incentives to achieve the desired outcome of individual student progress in core academics,**
33u **and which do not create disincentives for setting high goals for the students;**

33v (h) **an annual report card for school and district performance, measuring learning and**
33w **reporting progress-based assessments;**

33x (i) **a systematic method to encourage innovation in schools and school districts as they strive to**
33y **achieve improvement in their performance; and**

33z (j) **a method for identifying and sharing best demonstrated practices across districts and**
33aa **schools.**

33ab (3) **The superintendent shall perform duties assigned by the board, including the following:**

33ac (a) **investigating all matters pertaining to the public schools;**

- 33ad **Ĥ→(b) adopting and keeping an official seal to authenticate the superintendent's official acts;**
- 33ae **(c) holding and conducting meetings, seminars, and conferences on educational topics;**
- 33af **(d) presenting to the governor and the Legislature each December a report of the public school**
- 33ag **system for the preceding year to include:**
- 33ah **(i) data on the general condition of the schools with recommendations considered desirable for**
- 33ai **specific programs;**
- 33aj **(ii) a complete statement of fund balances;**
- 33ak **(iii) a complete statement of revenues by fund and source;**
- 33al **(iv) a complete statement of adjusted expenditures by fund, the status of bonded indebtedness,**
- 33am **the cost of new school plants, and school levies;**
- 33an **(v) a complete statement of state funds allocated to each school district and charter school by**
- 33ao **source, including supplemental appropriations, and a complete statement of expenditures by each**
- 33ap **school district and charter school, including supplemental appropriations, by function and object as**
- 33aq **outlined in the U.S. Department of Education publication "Financial Accounting for Local and State**
- 33ar **School Systems";**
- 33as **(vi) a complete statement, by school district and charter school, of the amount of and**
- 33at **percentage increase or decrease in expenditures from the previous year attributed to:**
- 33au **(A) wage increases, with expenditure data for base salary adjustments identified separately**
- 33av **from step and lane expenditures;**
- 33aw **(B) medical and dental premium cost adjustments; and**
- 33ax **(C) adjustments in the number of teachers and other staff;**
- 33ay **(vii) a statement that shows, for each school district, the number of resident students**
- 33az **enrolled in charter schools and the school district's contribution of local property taxes per**
- 33ba **charter school student as provided in Section 53A-1a-513;**
- 33bb **~~[(vii)] (viii)~~ a statement that includes data on fall enrollments, average membership, high**
- 33bc **school graduates, licensed and classified employees, pupil-teacher ratios, average class sizes calculated**
- 33bd **in accordance with State Board of Education rules adopted under Subsection 53A-3-602.5(4), average**
- 33be **salaries, applicable private school data, and data from standardized norm-referenced tests in grades 5,**
- 33bf **8, and 11 on each school and district;**
- 33bg **~~[(viii)] (ix)~~ statistical information regarding incidents of delinquent activity in the schools or**
- 33bh **at school-related activities with separate categories for:**
- 33bi **(A) alcohol and drug abuse;**
- 33bj **(B) weapon possession;**
- 33bk **(C) assaults; and**
- 33bl **(D) arson;**
- 33bm **~~[(ix)] (x)~~ information about:**
- 33bn **(A) the development and implementation of the strategy of focusing on core academics; ←Ĥ**

- 33bo **Ĥ→ (B) the development and implementation of competency-based education and**
 33bp **progress-based assessments; and**
- 33bq **(C) the results being achieved under Subsections (3)(d)(ix)(A) and (B), as measured by**
 33br **individual progress-based assessments and a comparison of Utah students' progress with the progress**
 33bs **of students in other states using standardized norm-referenced tests as benchmarks; and**
- 33bt **[~~(x)~~] (xi) other statistical and financial information about the school system which the state**
 33bu **superintendent considers pertinent;**
- 33bv **(e) collecting and organizing education data into an automated decision support system to**
 33bw **facilitate school district and school improvement planning, accountability reporting, performance**
 33bx **recognition, and the evaluation of educational policy and program effectiveness to include:**
- 33by **(i) data that are:**
- 33bz **(A) comparable across schools and school districts;**
- 33ca **(B) appropriate for use in longitudinal studies; and**
- 33cb **(C) comprehensive with regard to the data elements required under applicable state or federal**
 33cc **law or state board rule;**
- 33cd **(ii) features that enable users, most particularly school administrators, teachers, and**
 33ce **parents, to:**
- 33cf **(A) retrieve school and school district level data electronically;**
- 33cg **(B) interpret the data visually; and**
- 33ch **(C) draw conclusions that are statistically valid; and**
- 33ci **(iii) procedures for the collection and management of education data that:**
- 33cj **(A) require the state superintendent of public instruction to:**
- 33ck **(I) collaborate with school districts in designing and implementing uniform data standards**
 33cl **and definitions;**
- 33cm **(II) undertake or sponsor research to implement improved methods for analyzing education**
 33cn **data;**
- 33co **(III) provide for data security to prevent unauthorized access to or contamination of the data;**
 33cp **and**
- 33cq **(IV) protect the confidentiality of data under state and federal privacy laws; and**
- 33cr **(B) require all school districts and schools to comply with the data collection and management**
 33cs **procedures established under Subsection (3)(e);**
- 33ct **(f) administering and implementing federal educational programs in accordance with Title**
 33cu **53A, Chapter 1, Part 9, Implementing Federal Programs Act; and**
- 33cv **(g) with the approval of the board, preparing and submitting to the governor a budget for the**
 33cw **board to be included in the budget that the governor submits to the Legislature.**
- 33cx **(4) The state superintendent shall distribute funds deposited in the Autism Awareness**
 33cy **Restricted Account created in Section 53A-1-304 in accordance with the requirements of ←Ĥ**

33cz Section 53A-1-304.

33da (5) Upon leaving office, the state superintendent shall deliver to the state superintendent's
33db successor all books, records, documents, maps, reports, papers, and other articles pertaining to the
33dc state superintendent's office.

33dd (6) (a) For the purpose of Subsection (3)(d)(vii):

33de (i) the pupil-teacher ratio for a school shall be calculated by dividing the number of students
33df enrolled in a school by the number of full-time equivalent teachers assigned to the school, including
33dg regular classroom teachers, school-based specialists, and special education teachers;

33dh (ii) the pupil-teacher ratio for a school district shall be the median pupil-teacher ratio of the
33di schools within a school district;

33dj (iii) the pupil-teacher ratio for charter schools aggregated shall be the median pupil-teacher
33dk ratio of charter schools in the state; and

33dl (iv) the pupil-teacher ratio for the state's public schools aggregated shall be the median
33dm pupil-teacher ratio of public schools in the state.

33dn (b) The printed copy of the report required by Subsection (3)(d) shall:

33do (i) include the pupil-teacher ratio for:

33dp (A) each school district;

33dq (B) the charter schools aggregated; and

33dr (C) the state's public schools aggregated; and

33ds (ii) indicate the Internet website where pupil-teacher ratios for each school in the state may be
33dt accessed. ←H

34 Section H→ [†] 2 ←H . Section 53A-1a-513 is amended to read:

35 53A-1a-513. Funding for charter schools.

36 (1) As used in this section:

37 (a) " H→ [~~Charter school students' average local revenues~~] Average district per pupil local
37a revenues ←H " means the amount determined as

38 follows:

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

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

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

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

183 Section 53A-21-301; and

184 (E) revenues received from a debt service levy imposed under Section 11-14-310;

185 divided by

186 (ii) the sum of the average daily membership of school districts statewide in the school

187 year that is two years before the school year a charter school receives a per pupil allocation

188 under this Subsection (4)(d).

189 ~~[(iii) If the total of a school district's allocation for a charter school student under~~

190 ~~Subsection (4)(a) and the amount provided by the state under Subsection (4)(d)(ii) is less than~~

191 ~~\$1427, the state shall provide an additional supplement so that a charter school receives at least~~

192 ~~\$1427 per student under this Subsection (4).]~~

193 ~~[(iv)-(A)] (e) (i) If the appropriation provided under this Subsection (4)[(d)]~~

193a ~~H→ [(e)] ←H~~ is [less

194 ~~than the amount prescribed by Subsection (4)(d)(ii) or (4)(d)(iii)] insufficient to provide the~~

195 amounts required in Subsections (4)(b)(ii) and (4)(d), the appropriation shall be allocated

196 among charter schools in proportion to each charter school's enrollment as a percentage of the

197 total enrollment in charter schools.

198 ~~[(B)] (ii) If the State Board of Education makes adjustments to Minimum School~~

199 Program allocations as provided under Section 53A-17a-105, the allocation provided in

200 Subsection ~~[(4)(d)(iv)-(A)]~~ (4)(e)(i) shall be determined after adjustments are made under

201 Section 53A-17a-105.

202 ~~[(e) Of the money provided to a charter school under this Subsection (4), 10% shall be~~

203 ~~expended for funding school facilities only.]~~

204 (f) Nothing in this Subsection (4) affects the school bond guarantee program

205 established under Chapter 28, Utah School Bond Guaranty Act.

206 (5) Charter schools are eligible to receive federal funds if they meet all applicable

207 federal requirements and comply with relevant federal regulations.

208 (6) The State Board of Education shall distribute funds for charter school students

209 directly to the charter school.

210 (7) (a) Notwithstanding Subsection (3), a charter school is not eligible to receive state

211 transportation funding.

212 (b) The board shall also adopt rules relating to the transportation of students to and

213 from charter schools, taking into account Sections 53A-2-210 and 53A-17a-127.

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

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

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

221 (iii) The amount of a grant may vary based upon the size, scope, and special
222 circumstances of the charter school.

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

225 (b) The State Board of Education shall coordinate the distribution of federal money
226 appropriated to help fund costs for establishing and maintaining charter schools within the
227 state.

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

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

235 Section ~~H~~→ [2] ~~3~~ ←~~H~~ . **Effective date.**

236 This bill takes effect on July 1, 2011.

Legislative Review Note
as of 2-11-11 11:27 AM

Office of Legislative Research and General Counsel