

1 **ALLOCATION OF SCHOOL TRUST LANDS FUNDS**

2 2012 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Christopher N. Herrod**

5 Senate Sponsor: _____

7 **LONG TITLE**

8 **General Description:**

9 This bill modifies the formula for distributing school trust lands funds to school
10 districts and charter schools.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ modifies the formula for distributing school trust lands funds by providing that:
- 14 • a charter school shall receive a base amount equal to 1/7 of the amount that a
 - 15 school district receives; and
 - 16 • a school district annually may not lose more than \$2 per student than the school
 - 17 district's per student allocation in the 2011-12 school year as a result of the
 - 18 change in the formula.

19 **Money Appropriated in this Bill:**

20 None

21 **Other Special Clauses:**

22 This bill takes effect on July 1, 2012

23 **Utah Code Sections Affected:**

24 AMENDS:

25 **53A-16-101.5**, as last amended by Laws of Utah 2011, Chapter 293

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



28 Section 1. Section **53A-16-101.5** is amended to read:

29 **53A-16-101.5. School LAND Trust Program -- Purpose -- Distribution of funds --**
30 **School plans for use of funds.**

31 (1) There is established the School LAND (Learning And Nurturing Development)
32 Trust Program for the state's public schools to provide financial resources to enhance or
33 improve student academic achievement and implement a component of the school
34 improvement plan.

35 (2) (a) The program shall be funded each fiscal year:

36 (i) from the Interest and Dividends Account created in Section 53A-16-101; and

37 (ii) in the amount of the sum of the following:

38 (A) the interest and dividends from the investment of money in the permanent State
39 School Fund deposited to the Interest and Dividends Account in the immediately preceding
40 year; and

41 (B) interest accrued on money in the Interest and Dividends Account in the
42 immediately preceding fiscal year.

43 (b) On and after July 1, 2003, the program shall be funded as provided in Subsection
44 (2)(a) up to an amount equal to 2% of the funds provided for the Minimum School Program,
45 pursuant to Title 53A, Chapter 17a, Minimum School Program Act, each fiscal year.

46 (c) The Legislature shall annually allocate, through an appropriation to the State Board
47 of Education, a portion of School LAND Trust Program money for the administration of the
48 program.

49 (3) (a) ~~[The] Except as provided in Subsection (3)(b), the State Board of Education~~
50 ~~shall allocate the money referred to in Subsection (2) annually [for the fiscal year beginning~~
51 ~~July 1, 2000, and for each fiscal year thereafter] as follows:~~

52 (i) ~~[school districts and the charter schools combined shall receive]~~ 10% of the funds
53 ~~[on an equal basis] shall be distributed so that each school district shall receive an equal~~
54 ~~amount and each charter school shall receive an amount equal to 1/7 of the amount a school~~
55 ~~district receives; and~~

56 (ii) the remaining 90% of the funds shall be distributed on a per student basis, with
57 each school district and charter school receiving its allocation based on the number of students
58 in the school district and charter school as compared to the state total.

59 (b) (i) The State Board of Education shall annually distribute funds to a school district
60 so that a school district does not lose more than \$2.00 per student compared to the school
61 district's per student allocation under this section in the 2011-12 school year as a result of the
62 change in the distribution formula under Subsection (3)(a) beginning with the 2012-13 school
63 year.

64 (ii) Money distributed under Subsection (3)(b)(i) shall be subtracted from the total
65 funds made available under Subsection (2) before funds are allocated pursuant to Subsection
66 (3)(a).

67 ~~(b)~~ (c) A school district shall distribute its allocation under this Subsection (3)~~(a)~~ to
68 each school within the district on an equal per student basis.

69 ~~(c)~~ (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
70 Act, the State Board of Education may make rules regarding the time and manner in which the
71 student count shall be made for allocation of the money.

72 (4) (a) Except as provided in Subsection (7), in order to receive its allocation under
73 Subsection (3):

74 (i) a school shall have established a school community council in accordance with
75 Section 53A-1a-108; and

76 (ii) the school's principal shall provide a signed, written assurance in accordance with
77 rules of the State Board of Education that:

78 (A) the membership of the school community council is consistent with the
79 membership requirements specified in Section 53A-1a-108; and

80 (B) the members were elected or appointed consistent with selection requirements
81 specified in 53A-1a-108.

82 (b) At the direction of the Legislative Audit Subcommittee, the legislative auditor
83 general shall:

84 (i) audit a sample of schools to determine compliance with requirements specified in
85 Section 53A-1a-108 for school community council membership and the election or
86 appointment of school community council members; and

87 (ii) submit an audit report to the Legislative Audit Subcommittee.

88 (c) The Legislative Audit Subcommittee shall forward the audit report to the Public
89 Education Appropriations Subcommittee and the State Board of Education.

90 (d) (i) The State Board of Education may recommend that all or a portion of a school's
91 allocation of School LAND Trust Program money under Subsection (3) be reduced or
92 eliminated for a fiscal year if the school has failed to comply with requirements specified in
93 Section 53A-1a-108 for school community council membership or the election or appointment
94 of school community council members.

95 (ii) The State Board of Education shall report to the Public Education Appropriations
96 Subcommittee on the board's action or decision regarding a school identified in an audit report
97 as being not in compliance with requirements specified in Section 53A-1a-108 for school
98 community council membership or the election or appointment of school community council
99 members.

100 (5) (a) The school community council or its subcommittee shall create a program to use
101 its allocation under Subsection (3) to implement a component of the school's improvement
102 plan, including:

- 103 (i) the school's identified most critical academic needs;
- 104 (ii) a recommended course of action to meet the identified academic needs;
- 105 (iii) a specific listing of any programs, practices, materials, or equipment which the
106 school will need to implement a component of its school improvement plan to have a direct
107 impact on the instruction of students and result in measurable increased student performance;
108 and

109 (iv) how the school intends to spend its allocation of funds under this section to
110 enhance or improve academic excellence at the school.

111 (b) The school may develop a multiyear program, but the program shall be approved by
112 the school community council and the local school board of the district in which the school is
113 located annually and as a prerequisite to receiving program funds allocated under this section.

114 (c) (i) A school community council shall consider the approval of a plan for the use of
115 School LAND Trust Program money in a meeting of the school community council at which a
116 quorum is present.

117 (ii) If a majority of the quorum votes to approve a plan for the use of School LAND
118 Trust Program money, the plan is approved.

119 (d) A school community council shall:

- 120 (i) submit a plan for the use of School LAND Trust Program money that is approved in

121 accordance with Subsection (5)(c) to the local school board for the local school board's
122 approval; and

123 (ii) include with the plan a report noting the number of school community council
124 members who voted for or against the approval of the plan and the number of members who
125 were absent for the vote.

126 (e) (i) A local school board may approve or disapprove a plan for the use of School
127 LAND Trust Program money.

128 (ii) If a local school board disapproves a plan for the use of School LAND Trust
129 Program money, the local school board shall provide a written explanation of why the plan was
130 disapproved and request the school community council who submitted the plan to revise the
131 plan.

132 (iii) The school community council shall submit a revised plan to the local school
133 board for approval.

134 (6) (a) Each school shall:

135 (i) implement the program as approved by the school community council and approved
136 by the local school board;

137 (ii) provide ongoing support for the council's or its subcommittee's program; and

138 (iii) meet school board reporting requirements regarding financial and performance
139 accountability of the program.

140 (b) (i) Each school through its council or its subcommittee shall prepare and present an
141 annual report of the program to its local school board at the end of the school year.

142 (ii) The report shall detail the use of program funds received by the school under this
143 section and an assessment of the results obtained from the use of the funds.

144 (iii) A summary of the report shall be sent to households in accordance with the
145 provisions under Subsection 53A-1a-108(7).

146 (7) (a) The governing board of a charter school shall prepare a plan for the use of
147 School LAND Trust Program money that includes the elements listed in Subsection (5).

148 (b) The plan shall be subject to approval by the entity that authorized the establishment
149 of the charter school.

150 (8) (a) A school community council and a governing board of a charter school may not
151 be required to:

152 (i) send a letter to legislators or other elected officials on the school's use of School
153 LAND Trust Program money as a condition of receiving the money; or

154 (ii) report to the State Board of Education or any local school board on whether any
155 letters were sent to legislators or other elected officials on the school's use of School LAND
156 Trust Program money.

157 (b) Subsection (8)(a)(i) does not apply to the annual report to the local school board
158 required by Subsection (6)(b).

159 Section 2. **Effective date.**

160 This bill takes effect on July 1, 2012

Legislative Review Note
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Office of Legislative Research and General Counsel